

To,
BSE Limited
Scrip Code: 542650

National Stock Exchange of India Ltd
Scrip Symbol: METROPOLIS

Dear Sir/ Madam,

Sub: Annual Report of the Company for the financial year 2023-24 along with the Notice convening the 24th Annual General Meeting

In continuation to our letter dated July 26, 2024, intimating the date of 24th Annual General Meeting ('AGM') of the Company and pursuant to Regulations 30 and 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached herewith a copy of Annual Report for the financial year 2023-24 along with the Notice of the 24th AGM scheduled on Wednesday, August 21, 2024 at 10:00 a.m. (IST) through video conferencing.

Further, the Notice of the 24th AGM and Annual Report for the financial year 2023-24 have also been made available on the website of the Company at www.metropolisindia.com and are being dispatched to all the eligible shareholders by electronic means on the e-mail addresses as registered with the Company/Registrar and Share Transfer Agent/Depository Participant(s).

Kindly take the aforesaid on record

Thanking you,

Yours faithfully,

For **Metropolis Healthcare Limited**

Kamlesh C Kulkarni
Head – Legal & Secretarial

Encl: A/a

BLOOD TESTS • DIAGNOSTICS • WELLNESS

METROPOLIS
The Pathology Specialist

Metropolis Healthcare Limited

Registered Office: 4th Floor, East Wing, Plot-254 B, Nirlon House, Dr. Annie Besant Road, Worli, Mumbai - 400030, Maharashtra, India.

Corporate Office & Global Reference Laboratory: 4th Floor, Commercial Building-1A, Kohinoor Mall, Vidyavihar (W), Mumbai - 400 070.

CIN: L73100MH2000PLC192798 Tel No.: 8422 801 801 Email: support@metropolisindia.com

Website: www.metropolisindia.com

**STRONG
FOUNDATION**
BOLD VISION

**ANNUAL
REPORT 2023-24**

Our Approach to Reporting

About this Report

This report is aligned with the International Integrated Reporting Council's (IIRC) globally accepted framework. Through this document, Metropolis Healthcare Limited ('Metropolis' or 'MHL' or 'The Company') aims to strengthen its communication with the stakeholders with respect to material activities, value creation process, business highlights and future prospects. This report follows and adopts guidelines as laid out by SEBI with respect to the Annual Report.

Frameworks and Guidelines

The content and structure of this Annual Report is guided by the framework endorsed by the Integrated Reporting <IR> Council. Besides, the Company fully complies with the NSE & BSE listings and SEBI compliances. It is committed to embracing best practices in reporting to ensure transparency and better stakeholder engagement.

Value Creation at Metropolis

An in-depth analysis of the Company's business model, organizational strategies, and governance practices on key issues pertinent to the Company and its stakeholders is presented in this report. The financial and non-financial performance of the Company across the six capitals is laid out in detail, illustrating how Metropolis generates and sustains value.



Financial
Capital



Service
Capital



Intellectual
Capital



Human
Capital



Social &
Relationship
Capital



Natural
Capital

Scope and Boundary

This Annual Report comprises all the relevant aspects of the operations of Metropolis. It also consists of the desired statutory disclosures and audited annual financial statements for the year ended March 31, 2024. All the subsidiaries are included in the consolidated financial information.

Assurance

Metropolis' Board of Directors and its sub-committees have reviewed the Report and satisfied themselves on the materiality, accuracy and balance of disclosures in this report. The Board has not sought independent assurance of the Report, other than for the annual financial statements.

Feedback

Your valuable feedback is integral to the continuous improvement of our reporting journey. Kindly direct your comments to secretarial@metropolisindia.com





Investor Information

Market Capitalization As of March 31, 2024	₹ 8,829.46 Crs
BSE Code	542650
NSE Symbol	METROPOLIS
Bloomberg Code	METROHL:IN
AGM Date	August 21, 2024
AGM Mode	Video Conferencing

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To access investor-related information, visit:

<https://www.metropolisindia.com/investors>

or simply scan this QR code.



Strong Foundation Bold Vision



In an era where technology drives efficiency, Metropolis has undergone a significant tech transformation.



With a legacy of more than 40 years, Metropolis has an extensive presence across India spanning across more than 600 towns. With a focus on metro cities and Tier 1 and Tier 2 towns, the Company is strategically deepening its presence in existing markets while expanding into new territories, aiming to reach more customers and provide them with quality healthcare services.

Central to Metropolis Healthcare's strategy is its strong B2C focus in key urban markets with high demand for specialized healthcare services. Offering a wide range of routine, semi-specialized, and specialized tests, along with wellness packages, Metropolis serves diverse customer needs. With over 3,000 specialized tests across multiple subspecialty segments, the Company aims to meet the clinical pathology requirements of specialists. Emphasizing innovation in new test development and enhancing engagement with specialty doctors, Metropolis aims to expand specialty test volumes and maintain leadership in healthcare diagnostics.

In an era where technology drives efficiency, Metropolis has undergone a significant tech transformation. Through the implementation of various digital technologies, Metropolis has transformed its processes to enhance productivity, improve user experience, maintain business continuity and build a

future-ready architecture. This has also streamlined operations and improved turnaround times for our customers. By implementing intelligent, real-time information systems, the Company is equipped to make informed business decisions, enhancing overall service delivery and customer satisfaction.

Metropolis is also dedicated to science-driven innovation, continuously developing new tests and maintaining high-quality talent. This commitment to excellence is reflected in its differentiated quality processes, ensuring that patients receive the best possible care.

The Company's success in mergers and acquisitions has boosted its growth strategy, enabling it to integrate new capabilities and expand its service offerings. Together, these initiatives create a strong foundation for Metropolis Healthcare, positioning it as a leader in the Indian healthcare landscape with a vision that embraces both innovation and accessibility.



Metropolis

Where Legacy Meets Innovation

At Metropolis, we touch millions of lives each year by providing actionable health insights to patients and doctors. Since our inception in 1981, our journey has been defined by technological excellence, diagnostic innovation, and a warm, patient-centric approach.

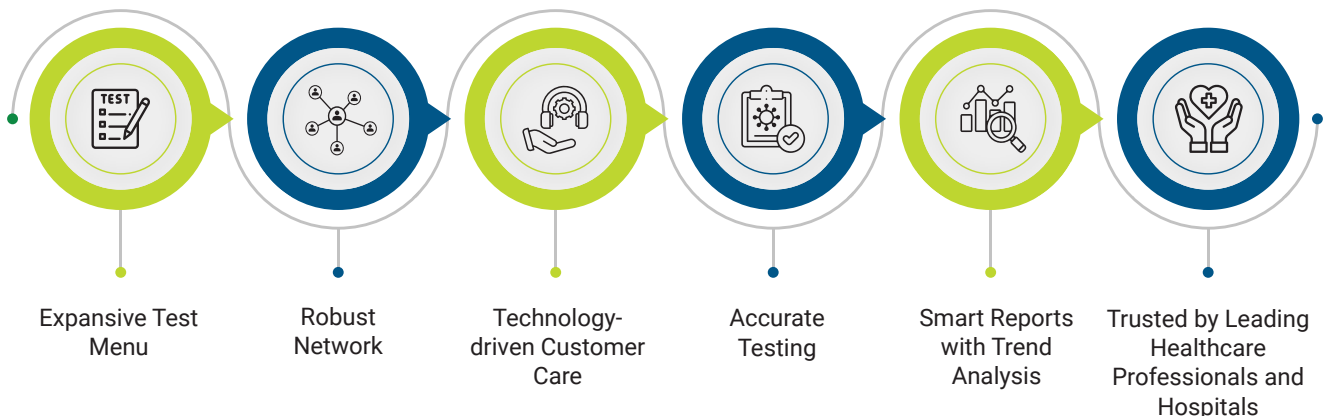
Today, Metropolis is recognized as a leading diagnostics chain in the healthcare sector, offering comprehensive and innovative best-in-class diagnostic services to patients, healthcare providers, and corporates across India and Africa. With our continued commitment to integration of science and technology has paved the way for advancements that significantly enhance the customer experience. By incorporating cutting-edge technologies and methodologies, we continuously improve the quality and accuracy of our diagnostics.

With a robust network of labs and collection centres, we provide high-quality diagnostic services, from routine tests to advanced diagnostics, ensuring accessibility and convenience for patients nationwide. Our laboratories are managed by highly qualified scientific staff and supervised by specialized pathologists, maintaining the highest standards of care. Our consistent CAP proficiency score of over 98% for the past decade places us among the top 1% of laboratories worldwide for quality assurance.

At Metropolis, our legacy of excellence blends seamlessly with innovative care, positioning us as the foremost and trusted diagnostic partner in the healthcare sector. We lead with science, harness technology, and prioritize patient well-being, continually setting new benchmarks in the diagnostics industry.



The Metropolis Edge





VISION

To be a respected healthcare brand trusted by clinicians, patients and stakeholders. Positively impact the lives of patients in their most anxious times and turn their anxiety into assurance.



MISSION

Helping people stay healthy by accurately revealing their inner health.



VALUES



INTEGRITY is in our veins



EMPATHY is in our blood



ACCURACY is in our DNA



Metropolis at a Glance

43+

Years of Credible Experience

199

Clinical Laboratories

4,150

Service Network

4,000+

Tests and Profiles

28

NABL* Accredited Labs

1 CAP*

Accredited Lab

22+

States in India

600+

Towns in India

*CAP: College of American Pathologists
NABL: National Accreditations Board for Testing and Calibration Laboratories

Key Strengths



Leading Diagnostics firm in India

Widespread operational & patient touchpoint networks

Asset-light strategy

Comprehensive test menu

Strong brand reputation

Robust IT infrastructure supporting operations

Successful track record in acquisitions and integrations

Experienced Leadership and Senior Management Team

Key Differentiators



Conclusive Diagnosis

- A diverse test menu supported by our rigorous Quality Management standards.

Customer-centric

- A diagnostic company that prioritizes convenience and accuracy as core service standards.

Presence across India

- Nationwide presence with a vast and unparalleled service network.

Consistent Operations

- Seamless blood collection, hygienic setup, and timely report delivery every time ensure a consistent service experience.

Test Categories

Routine Tests

Blood chemistry analyses, blood cell counts, urine examination



Specialized

Coagulation studies, autoimmunity tests, cytogenetics, molecular diagnostics



Semi-Specialized

Thyroid function tests, viral and bacterial cultures, histology, cytology, infectious disease tests



Wellness

Specially curated comprehensive health packages for screening lifestyle and chronic diseases

Metropolis Test Mix

Volume Mix



46% Routine
13% Specialized Tests
38% Semi-Specialized
3% Wellness

Value Mix



19% Routine
37% Specialized Tests
30% Semi-Specialized
14% Wellness

Geographic Presence

Enhancing Diagnostic Access in 600+ Towns and Beyond



Our Presence in India

- | | |
|------------------|----------------|
| Andhra Pradesh | Kerala |
| Assam | Madhya Pradesh |
| Bihar | Maharashtra |
| Chandigarh | Odisha |
| Chhattisgarh | Puducherry |
| Delhi | Punjab |
| Goa | Rajasthan |
| Gujarat | Tamil Nadu |
| Haryana | Telangana |
| Himachal Pradesh | Uttar Pradesh |
| Jammu & Kashmir | Uttarakhand |
| Jharkhand | West Bengal |
| Karnataka | |

Our Presence in Africa

Kenya | Zambia | Ghana | Tanzania | Uganda



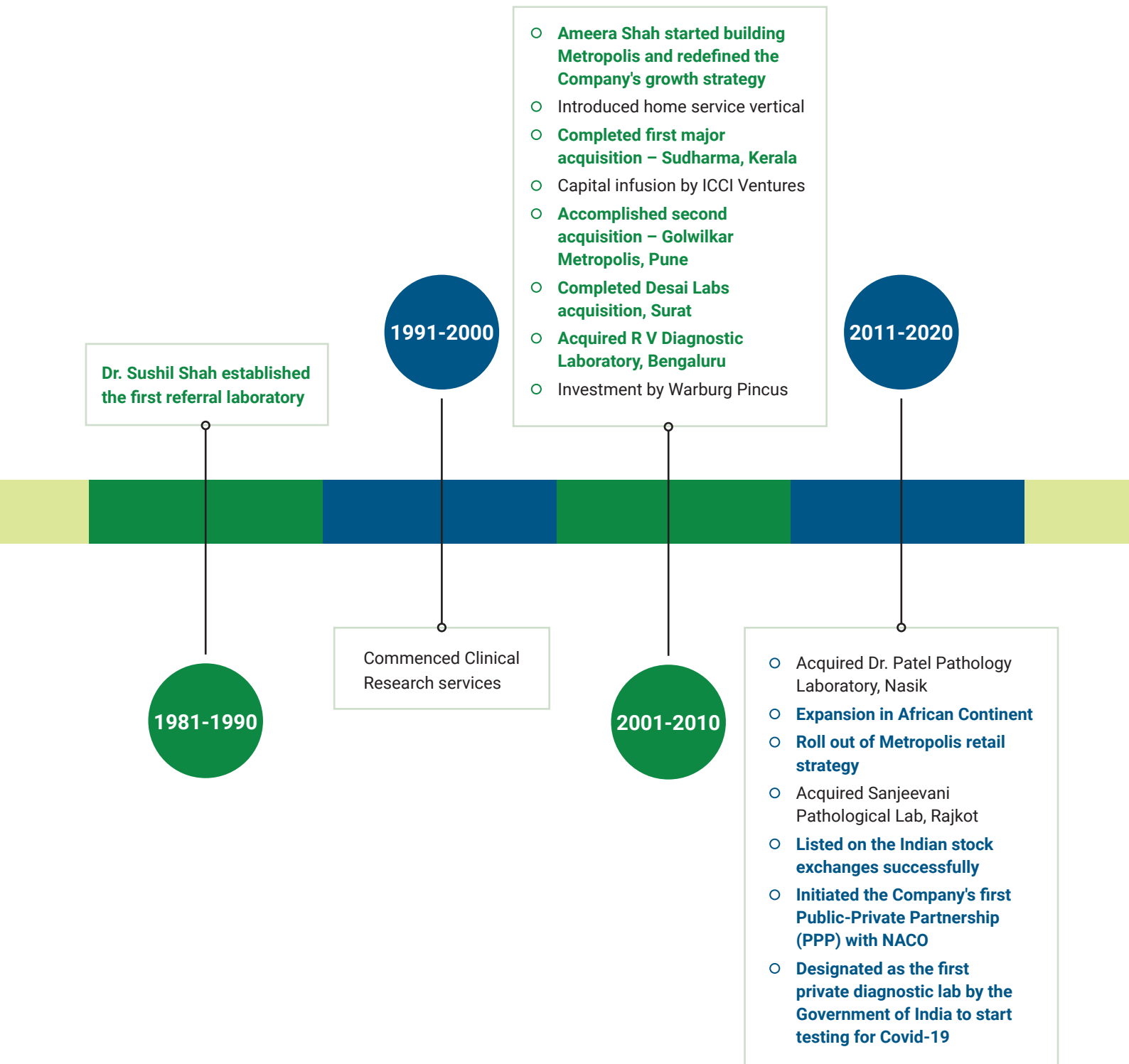
Besides maintaining a strong presence in Africa for over a decade, Metropolis actively serves a diverse range of B2B laboratory clients in the following international markets, including:

Dubai | Mauritius | Sri Lanka | Nepal | Bangladesh | Vietnam | Congo | Abu Dhabi | Zimbabwe | Maldives

Disclaimer: This map is a generalised illustration only for the ease of the reader to understand the locations, and it is not intended to be used for reference purposes. The representation of political boundaries and the names of geographical features/states do not necessarily reflect the actual position. The Company or any of its directors, officers or employees, cannot be held responsible for any misuse or misinterpretation of any information or design thereof. The Company does not warrant or represent any kind of connection with its accuracy or completeness.

The Metropolis Story

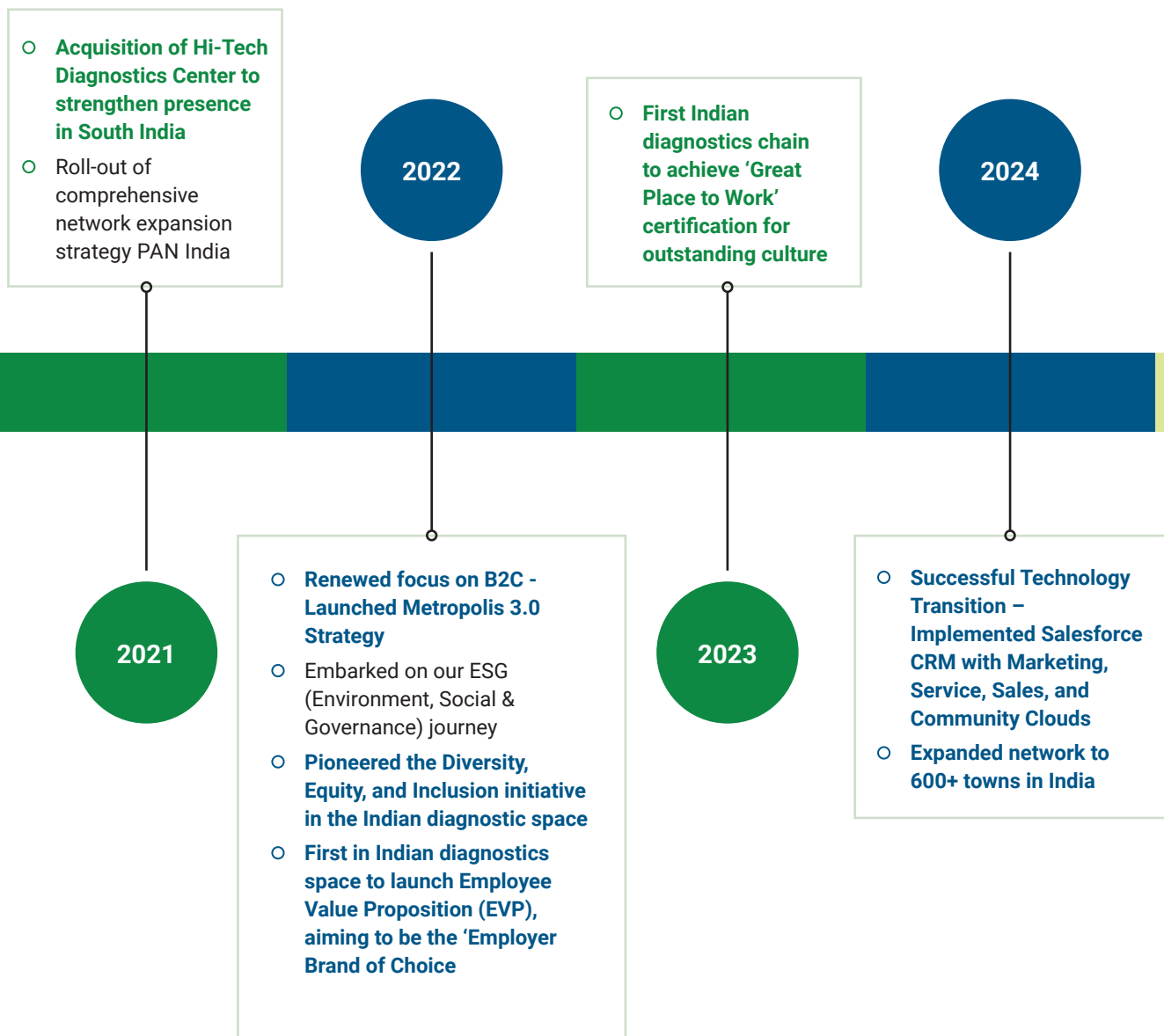
Our Journey Across Four Decades



In the span of four decades, Metropolis Healthcare has grown from a modest Mumbai lab into a pioneering force in India's diagnostic industry. What began as a doctor-led practice in a fragmented market has since transformed into a dynamic corporate entity, marked by over 22 strategic acquisitions. Each new lab integrated into our network has expanded our reach and set new benchmarks for excellence in the industry.

This remarkable journey is underpinned by Metropolis' steadfast commitment to scientific rigor and quality. The Company's dedication to innovation and integrity has built strong trust among investors and stakeholders, fueling exceptional financial performance and establishing a stellar reputation.

With visionary leadership and strategic foresight, Metropolis Healthcare has risen to become one of India's few globally accredited, fully integrated pathology services. Today, it stands as a symbol of innovation, resilience, and unmatched excellence in the healthcare sector.



Celebrating Excellence through Awards and Accolades



Metropolis Healthcare honored with the prestigious **Winner** title at the 3rd edition of the NATHealth Impact Awards 2024 in the CSR category for its flagship CSR program '**MedEngage**' by NATHealth (Healthcare Federation of India).



Metropolis Foundation honored with the **Institutional Excellence in CSR Initiatives (Healthcare Education) Award** for its flagship program 'MedEngage' at the Business World Healthcare Excellence Awards 2024.



Metropolis Healthcare won the **Institutional Excellence in Diagnostics Chain (Pathology) Award** at the Business World Healthcare Excellence Awards 2024.



Metropolis Foundation recognized with the **Best CSR Excellence in Healthcare (Runner-up) Award** for its flagship program 'MedEngage' at the ASSOCHAM's 2nd Healthcare Summit and Awards 2023.



Metropolis Healthcare honored with the **Best Diagnostic Company (Winner) Award** at the ASSOCHAM's 2nd Healthcare Summit and Awards 2023.



Metropolis Foundation honored with the **Best Sex Education Initiative of the Year Award** at the Indian CSR Awards 2023 for '**Too Shy to Ask**' (TSTA) CSR Program.



Metropolis Foundation was felicitated for being a committed **Ni-Kshay Mitra in the Pradhan Mantri TB Mukh Bharat Abhiyan** by Brihanmumbai Municipal Corporation.



Metropolis Healthcare's **Annual Report 2022-23** won the **Platinum Award** at the **Vision Awards 2022/23 Annual Report Competition**, organized by LACP - League of American Professionals.



International Best Researcher of the Year award for pioneering research on 'Clinical Utility of **Pregascreen™ Reflex Genetic Testing for Prenatal Screening** in the Indian Population' at the 2024 International Congress for Research Excellence (ICRE).



Dr. Sushil Shah was honored with the **Lifetime Achievement in Diagnostics Leadership Award** by Voice of Healthcare at the Diagnostic Innovation and Excellence Awards 2024.



Ameera Shah was featured in the prestigious **Business Today's listing of India's Most Powerful Women in Business 2023**.



Dr. Sushil Shah was honored with the **Hurun India Star of Mumbai Award** by the prestigious Hurun Report Global for his remarkable contributions to the Indian diagnostic industry.



Our Managing Director Ameera Shah was honored with the prestigious **Corporate Woman Leader of the Year Award** at the inaugural edition of the CII Corporate Women Leadership Awards 2022. She was the sole recipient of this award in the healthcare category.



Our Managing Director Ameera Shah was featured in India Today's 48th Anniversary Special Issue – **The SHE List in the Healthcare Business Category**.

Board of Directors



Dr. Sushil Shah

Designation: Chairman & Executive Director
Qualification: Bachelor's degree in Medicine and Surgery (MBBS) and MD in Pathology and Bacteriology from University of Bombay; Research Fellowship from Cornell Medical Centre in Endocrine Pathology.

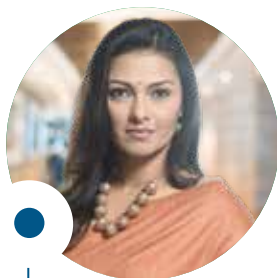


With over four decades in pathology, Dr. Sushil Shah is a distinguished leader in the diagnostics industry, celebrated for his pioneering contributions and visionary approach. As the founder of Metropolis Healthcare, he has significantly shaped the diagnostic landscape and is renowned for introducing Radio Immunoassay, HIV Testing, and In-Vitro Fertilisation in India.

Dr. Shah has held leadership roles at prominent hospitals, including Breach Candy Hospital, Sir H.N. Hospital, Saifee Hospital, and Cumballa Hill Hospital. Additionally, he served as a PhD teacher at Mumbai University and as a research guide at Rai University. His academic excellence and business acumen are exemplified through his directorial roles

at Dr. Reddy's Laboratories, Span Diagnostics, and Dr. Reddy's Diagnostic and Standard Finance Equity Fund. His entrepreneurial spirit and achievements earned him the 'Ernst & Young Entrepreneur of the Year' award in 2011.

An alumnus of Scindia School, Dr. Shah has received numerous accolades, including the 'Madhav Award' for business acumen and Corporate Social Responsibility. His honors include the Rashtriya Chikitsa Ratna Award, Rajiv Gandhi Gold Medal, Maharashtra Gaurav Award, and Lifetime Achievement Award from Six Sigma Healthcare and Voice of Healthcare. He was also recently honored with the Hurun Industry Achievement Award and Hurun Star of Mumbai Award.



Ameera Shah

Designation: Managing Director
Qualification: A degree in Finance from the University of Texas at Austin and the prestigious Owner-President Management (OPM) Program at Harvard Business School.



Ameera Shah has built Metropolis Healthcare into a leading corporate entity in India's diagnostic sector, transforming it from a doctor-led practice into a prominent industry player. Over the past two decades, she has driven the Company's remarkable growth and corporate evolution, including taking Metropolis public in 2019. Under her leadership, the Company attracted three rounds of investment from top private equity firms and consistently delivered industry-leading performance and strong returns for investors.

Ameera's achievements have been widely recognized. She received the Ernst & Young 'Entrepreneur of the Year' Award in healthcare for

2021. She has been named one of 'Asia's Power Businesswomen' by Forbes Asia and included among the 'Fifty Most Powerful Women in Business' by Fortune India and Business Today. A prominent industry spokesperson, she has addressed numerous national and international forums and held senior positions in key industry bodies, influencing policy decisions. Currently, she serves as Sr. Vice-President of NATHealth (Healthcare Federation of India).

She is also an Independent Director on the boards of Torrent Pharma and the Adani Group. Before the pandemic, she was an advisor to Baylor College of Medicine and the global advisory board of AXA.



Vivek Gambhir

Designation: Non-Executive Independent Director

Qualification: Bachelor's degree in both Science and Arts from Lafayette College, Pennsylvania; and Master's degree in Business Administration from Harvard University.



Vivek Gambhir has over 20 years of experience in operations and strategy. He is currently associated with Lightspeed India Ventures. His previous roles include leadership positions at Imagine Marketing Limited (boAt Lifestyle), Godrej Consumer Products Limited, and Godrej Industries & Associate Companies. He was also a founding member of Bain & Company's consulting operations in India, where he led the FMCG practice. He has been a Director on our Board since September 2018.



Sanjay Bhatnagar

Designation: Non-Executive Independent Director

Education: Master's degree in Engineering from Stanford University and Business Administration from Harvard University.



Sanjay Bhatnagar brings over 25 years of experience in project management, marketing, and operations management. He has been a Director on our Board since 2018 and is currently the Managing General Partner at THOT Capital Group. Previously, he served as Chairman of the American Chamber of Commerce in India and is a current Board Member of the US India Strategic Partnership Forum. His past roles include positions at Enron India Private Limited and WaterHealth International Inc.



Subramanian Ranganathan

Designation: Non-Executive Independent Director

Education: Chartered Accountant, Company Secretary, Cost Accountant and LL.B. in General Law.



Subramanian Ranganathan is a seasoned finance and management professional with nearly four decades of experience. Renowned for his customer-focused approach and strategic acumen, he excels in high-pressure situations and has a proven track record in effective stakeholder engagement and advocacy. As a self-starter and team builder, he has held senior roles across various companies, providing clarity and direction amid organizational challenges.

Currently, Subramanian Ranganathan is a Partner at K. S. Aiyar & Co., Chartered Accountants, specializing in Banking, Finance, and Insurance. Previously, he served as Managing Director at ECL Finance Limited within the Edelweiss Group and as President & Group CFO at Edelweiss Financial Services Limited. His prior experience includes leadership roles at multinational firms such as Bank of America – Merrill Lynch, Citibank NA, and Citicorp Finance Limited.



Anita Ramachandran

Designation: Non-Executive Independent Director
Qualification: MBA (Finance) from the Jamnalal Bajaj Institute of Management Studies.



Anita Ramachandran has over 40 years of experience as a management consultant. She started her career at AF Ferguson, where she worked for 18 years and rose to the position of Director. For the past 28 years, Anita has been successfully running her own consulting firm, Cerebrus Consultants, which specializes in HR advisory services.

Anita Ramachandran has collaborated with over 500 companies across South Asia on a broad range of HR initiatives and is recognized as an expert in the area of Rewards. Recently, she has also advised several family groups on Board effectiveness and governance.

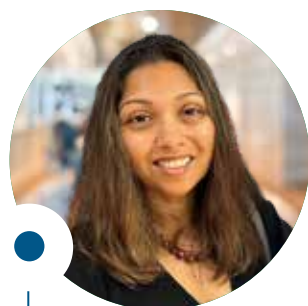


Hemant Sachdev

Designation: Non-Executive Non-Independent Director
Qualification: B.A. in Political Science from Delhi; and an alumnus of Harvard Business School.

Hemant Sachdev is a first-generation entrepreneur with over two decades of experience in Indian retail and global manufacturing of products in the outdoor space. He also owns and operates multiple schools in the Gurgaon region.

An avid mountaineer, Hemant also founded Tiranga Mountain Rescue (TMR), a non-profit organization dedicated to avalanche rescue and training. TMR's highly motivated and qualified avalanche rescue professionals are deployed in snow-bound and challenging areas during the winter season. These teams have been instrumental in providing specialized avalanche rescue and training to Indian Army personnel in mountain craft.



Dr. Aparna Rajadhyaksha

Designation: Non-Executive Non-Independent Director
Qualification: M.D. and M.B.B.S. degree from D.Y. Patil Medical College, Mumbai, India; specialized training in Clinical Pathology from Tufts University, Baystate Medical Center; Medical Genetics from the University of Miami; and an Executive MBA from the Quantic School of Business and Technology.

Dr. Aparna Rajadhyaksha has an extensive experience of over 20 years in the medical field along with a robust educational background. Throughout her career, she has held key positions such as Director of Cytogenetics and Molecular Genetics at Vitro Molecular Laboratory in Miami, Internal Quality Assurance and Quality Control Manager at Mass General Hospital in Boston. She has also served as Medical Director at Nicklaus Children's Hospital and eviCore Healthcare. Currently, she holds the position of Medical Director at Noridian Healthcare Solutions, LLC.

Chairman

Member

Audit Committee

Stakeholders Relationship Committee

Nomination and Remuneration Committee

CSR & ESG Committee

Risk Management Committee

Key Management Team



Dr. Sushil Shah
Chairman and Executive
Director



Ameera Shah
Managing Director



Surendran Chemmenkotil
Chief Executive Officer



Dr. Nilesh Shah
President – Internal
Assurance and Advisor to CEO



Rakesh Agarwal
Chief Financial Officer



Ishita Medhekar
Chief People Officer



Kannan Alangadan
Chief Operating Officer



Dr. Kirti Chadha
Chief Scientific and
Innovation Officer



Dr. Puneet Nigam
Chief Quality Officer



Mohan Menon
Chief Marketing Officer



Avadhut Joshi
Chief Business
Development Officer



Bhoopendra Rajawat
Chief Business Officer –
West, North and Central India



Balakrishnan J
Chief Business Officer – South
and East India



Abdur Razzaque
Group IT Head

Key Highlights for FY 2023-24

Financial Wellness*

INR 1,190 Crs

Total Revenue

24%

EBITDA Margin

11%

PAT Margin

INR 285 Crs

EBITDA

INR 128 Crs

PAT



Strong Operations*

12 Mn

Patient Volumes

INR 495

Revenue per Test

INR 992

Revenue per Patient

199

Laboratory Network

*Data for FY 2023-24



4,150

Service Network

INR 433 Crs

Specialized Segment Revenue

INR 1,166 Crs

Core Business Revenue¹

¹ Core business excludes revenue from Covid & Covid allied and PPP contracts (incl. Hi-tech)



Healthcare Accreditations



- Global Reference Laboratory in Mumbai is CAP accredited since 2005
- 28 Labs are NABL accredited
- More than 75% reports are generated by accredited labs
- NABL accreditation is given under ISO-15189 standard and is recognized by ILAC and APLAC

CAP:	College of American Pathologists
NABL:	National Accreditations Board for Testing and Calibration Laboratories
ILAC:	International Laboratory Accreditation Cooperation
APLAC:	Asia Pacific Laboratory Accreditation Cooperation

From the Chairman's Desk



Dear Shareholders,

On April 15, 2019, Metropolis achieved a significant milestone by getting listed on BSE Limited & National Stock Exchange of India Ltd. With great pride and enthusiasm, I am pleased to present to you our Annual Report for 2023-24, marking our fifth year as a publicly listed company.

As a brand, Metropolis has believed in pursuing excellence, investing in scientific innovation and technological advancements within the diagnostic industry. This past year, in particular, has been quite remarkable, with the Company pushing the boundaries to achieve many key milestones. Your steadfast support has been the cornerstone of our success, and together, we are making good progress in advancing healthcare solutions. Thank you for your trust and confidence in our vision.

Commitment to Sustainability and Social Responsibility

Sustainability is at the heart of everything we do. We are dedicated to minimizing our environmental impact by integrating cutting-edge technologies and best practices. From managing biomedical waste to implementing biodegradable solutions, enhancing energy efficiency, and conserving water, every step we take aims to preserve our planet. We prioritize the well-being of our employees, ensuring their health, wellness, and safety are top priorities. Quality care, patient satisfaction, and maintaining stringent data privacy further underscore our commitment to excellence in healthcare.

We have always been passionate about fostering diversity and inclusion. With 43% of our workforce comprising women, we are dedicated to achieving gender balance with a 50:50 ratio by 2028. We are proud that Metropolis Healthcare is the first in Indian diagnostics chain space to earn the 'Great Place to Work For' certification, a testament to our inclusive culture.

With an unwavering focus on scientific innovation and technological advancements, Metropolis is committed to advancing healthcare solutions for a better tomorrow.

Our CSR initiatives like MedEngage, Too Shy to Ask (TSTA), and our Preventive Healthcare Programs are dear to us. They reflect our genuine commitment to making a positive impact in society. We are happy to inform you that our MedEngage Scholarship Program has received three prestigious awards from organizations such as NATHealth, Assocham, and Business World. This embodies our dedication to nurturing the young medical talent and empowerment in India. Through our Adolescent Reproductive and Sexual Health (ARSH) program, the physical outreach component of 'Too Shy to Ask' (TSTA), we partner with NGOs to raise awareness about adolescent health issues. Our Swasthya Saheli initiative, in collaboration with Bharat Cares, has empowered 61,603 girls and trained over 893 teachers and 467 Kishori Manch members across Nandurbar and Pune districts in Maharashtra. This program addresses crucial topics such as anemia, reproductive health, nutrition, and adolescent rights. We are also deeply honored by recognition from Government of Maharashtra's Brihanmumbai Municipal Corporation for our contributions to the Pradhan Mantri TB Mukta Bharat Abhiyan. These accolades affirm our commitment to delivering exceptional services and driving positive change, reinforcing our leadership in healthcare and corporate responsibility.

Championing Strong Governance

Metropolis Healthcare places a high priority on strong governance to ensure accountability and transparency. Our diverse Board of Directors, bringing varied backgrounds and expertise, consistently upholds the highest governance standards. We adhere rigorously to best practices both internally and externally, promoting sound decision-making and ethical conduct. By prioritizing diversity, we actively report our progress, aligning with our core values and bolstering our business achievements. Our dedication



Our aim is to establish Metropolis as a trusted knowledge hub for medical professionals and patients, offering state-of-the-art diagnostic solutions and invaluable healthcare insights.



to ethical practices not only fosters positive impact but also reinforces our competitive advantage, paving the way for a brighter future for all stakeholders.

Advancing Clinical and Scientific Frontiers

Over four decades, Metropolis has built a reputation for scientific leadership and has become the diagnostic partner of choice for clinicians and specialists. Our commitment to innovation drives advancements in science and technology. Our aim is to establish Metropolis as a trusted knowledge hub for medical professionals and patients, offering state-of-the-art diagnostic solutions and invaluable healthcare insights.

Through our Metropolis Innovation Cell, we have integrated Molecular Genomics, Artificial Intelligence, and Next Generation Sequencing to offer a suite of advanced diagnostic tests. In the fiscal year 2023-24, we launched over 100 advanced tests, including Comprehensive testing for food and drug allergies using AI, Syndromic Multiplex PCR Testing for infectious diseases, and Next Generation Sequencing-based tests for various conditions, including predictive biomarkers for cancer immunotherapy.

Our commitment to personalized care is ingrained in our approach to morphological-to-molecular diagnostics. By combining surgical pathology reports with cutting-edge tests and digital

pathology capabilities, we deliver precise diagnostic insights and comprehensive patient care outcomes. With ongoing investments in research and development, we are steadfast in our mission to provide accessible, affordable, and dependable healthcare solutions nationwide.

At Metropolis, we're not just advancing diagnostics; we're empowering healthcare providers with the tools they need to enhance patient outcomes and improve lives every day.

Closing Note

As we reflect on the milestones and achievements of the past year, I extend my deepest gratitude to our shareholders, employees, partners, and customers for their unwavering support and trust. I also want to thank our Board for their invaluable guidance.

Looking ahead, I am confident in our continued ability to lead the diagnostics industry with excellence, integrity, and a commitment to positive change. Thank you for being an integral part of Metropolis' journey. We look forward to achieving even greater success together.

Sincerely,

Dr. Sushil Shah

Founder & Chairman

MD's Communique



At Metropolis, we are well-positioned to adapt to evolving trends and dynamics in the healthcare and diagnostic sector. Our strong foundation of robust processes, systems, and governance ensures stability and reliability, enabling us to drive innovation and strategic growth effectively.



Dear Shareholders,

As I reflect on our journey, I am immensely proud of how Metropolis has evolved over the past two decades. From starting with a single lab in Mumbai, we have grown into India's leading integrated pathology service provider. This journey has been both fulfilling and rewarding, marked by numerous challenges and triumphs, including early growth, strategic mergers and acquisitions, and our successful stock exchange listing. Over the years, we have earned the trust of our customers, patients, doctors, partners, investors and shareholders. This trust underscores our strong foundation and clear vision, guiding us toward even greater achievements and milestones.

Industry Overview

According to industry reports, the Indian healthcare sector has experienced substantial growth in recent years and is projected to expand by 12.6% in FY 2024-25.¹ This growth is fueled by increased healthcare spending from our ageing population, rising income levels, heightened awareness of preventive testing, and strong support from the Central Government. Initiatives such as Ayushman Bharat and the Digital India Program are establishing a robust digital health ecosystem and enhancing healthcare infrastructure. Along with these developments, the Indian diagnostics laboratories market is expected to reach USD 44.92 Bn by 2032, with a CAGR of 11.75%, as per a market research report.²

During successive waves of the COVID-19 pandemic, the diagnostic industry witnessed a surge in new entrants attracted by perceived high profit margins and potential returns. While established players

like Metropolis have benefitted from the wellness trends, hospital chains also entered the diagnostic sector, hoping to capitalize on these. This has led to competition in this segment, however, our volumes have sustained and rebounded positively as customers continue to prefer established, trusted labs like us, who are known for superior service and quality diagnostics.

At Metropolis, we are well-positioned to adapt to evolving trends and dynamics in the healthcare and diagnostic sector. Our strong foundation of robust processes, systems, and governance ensures stability and reliability, enabling us to drive innovation and strategic growth effectively. To further strengthen our foundation, one of the key decisions taken in the year was to separate governance from operational roles, emphasizing our commitment to being a promoter-led but professionally managed Company. This structure allows us to remain agile and focused and leverage our strengths, while ensuring that we remain accountable to our stakeholders.

Reflecting on the Year Gone By

We have achieved a total revenue of INR 1,190 Cr, reflecting a 3.6% year-on-year (y-o-y) growth. However, the real growth lies in our core business, which has experienced a substantial 13.3% y-o-y increase. This significant growth underscores the strength of our core operations, driven by changes in product mix and price increases. This robust growth was accompanied by an 8.8% y-o-y rise in both patient volumes, totalling 11.59 Mn, and test volumes, reaching 23.47 Mn. This highlights our ability to meet increasing market demand and reinforces the strong fundamentals of our business.



Our ambition is to transform Metropolis into a network of Centres of Excellence, each specializing in various specialty areas. Alongside our Global Reference Laboratory in Mumbai, our Regional Reference Labs, equipped with state-of-the-art technologies and staffed by subject matter experts, play a crucial role in bringing advanced diagnostics closer to doctors and patients.



We have significantly enhanced our revenue per patient (RPP) and revenue per test (RPT). Our core business RPP increased by 4.1% y-o-y to INR 1,006, while our core business RPT rose by 4.2% y-o-y to INR 497. Our B2B revenue grew by 10% y-o-y, reflecting strong demand and trust from our corporate partners. We improved service delivery and client engagement through digitalization, a centralized helpdesk, and placing dedicated relationship managers for top clients.

On the B2C front, we achieved a remarkable 19.6% y-o-y growth in revenue. Particularly noteworthy is the 20.0% growth in B2C revenues in Mumbai alone, underscoring our deepening penetration and strong market presence in key metropolitan areas. Contributing the highest share of revenue, the B2C segment saw volume growth of 7.2% and RPP growth of 11.6%.

Empowering Our Team with Care and Dedication

At Metropolis, we are humbled by the consistent recognition received by us for being the Best Diagnostic

Chain by reputed healthcare forums every passing year. This recognition speaks volumes about the dedication and growth of our incredible team, whom we deeply value. We prioritize their safety, well-being, and professional development through our people-centric policies, fostering a nurturing, growth-oriented culture where everyone can reach their full potential.

From welcoming new campus recruits to grooming future leaders, we promote continuous learning and innovation through various programs like Shikshantar and Power of More. Our learning agenda is designed to build capabilities that uniquely differentiate Metropolis and aligns with our business goals and individual development needs. Our Employee Value Proposition (EVP), centered on Trust, Openness, Innovation, Compassion, and Growth Mindset, underscores our commitment to a supportive and equitable workplace.

Our work culture emphasizes professionalism, teamwork, and innovation, with a strong focus on Employee Engagement, Safety,

Diversity, and Cross-functional Collaboration. We celebrate our team's successes through milestone events and recognition programs, offering tailored skill development initiatives. By nurturing our employees, we deliver top-notch care to our patients and constantly innovate to meet our customers' evolving needs, shaping a sustainable future together.

Network Expansion and Technological Advancements

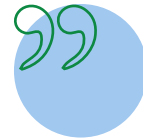
We have achieved a significant milestone in our network expansion, extending our presence to over 600 towns across India, including substantial penetration into Tier 2 and Tier 3 cities. With plans to reach even more towns in the next 2-3 years, we reinforce our commitment to delivering high-quality complex diagnostic services nationwide. Additionally, we have strengthened our presence in Africa and boosted our B2B operations, receiving samples from over 15 countries. Our successful digital transformation initiatives have enabled us to gain a comprehensive view of our customers and offer personalized experiences. Recognizing the potential of AI, genomics, and molecular diagnostics, we will continue to invest in advanced expertise, state-of-the-art machinery, and innovative testing capabilities to drive industry innovation and leadership.

Building Metropolis: A Network of Scientific Excellence

At Metropolis, we are dedicated to setting new standards in diagnostics through our commitment to science and innovation. I am happy to inform that we have established dedicated specialized subspecialty pathology



At Metropolis, building a culture of quality across our entire value chain isn't just a goal; it's our daily mission. This holistic approach not only drives our success but also reinforces our standing as a trusted leader in India's diagnostics landscape.



divisions, which will enhance our diagnostic services with expert knowledge for each organ type. Supported by a distinguished panel of national sub-specialty consultants and cutting-edge digital pathology technology, we will be ensuring the highest standards in patient care and diagnostic accuracy.

Our ambition is to transform Metropolis into a network of Centres of Excellence, each specializing in various specialty areas. Alongside our Global Reference Laboratory in Mumbai, our Regional Reference Labs, equipped with state-of-the-art technologies and staffed by subject matter experts, play a crucial role in bringing advanced diagnostics closer to doctors and patients.

Aligned with the growing emphasis on preventive healthcare, we have introduced the unique "Next Best Action (NBA)" approach, designed to empower patients with timely diagnostics, lifestyle recommendations and education to prevent complications from chronic conditions. This initiative reflects our commitment to improving health outcomes and supporting informed medical decisions. Additionally, we have relaunched our TruHealth wellness packages, which provide a comprehensive assessment of inner

health based on scientific principles. These packages simplify the monitoring and management of key health parameters and are tailored to meet diverse patient needs, including those with specific health concerns or relevant medical histories.

Fostering Quality Culture in our Overall Business

At Metropolis, quality isn't just a benchmark – it's our commitment to every individual we serve. We take immense pride in our culture of delivering exceptional services and maintaining the highest standards in everything we do. From employing cutting-edge technology and nurturing skilled professionals to adhering to stringent Quality Management Systems (QMS) accredited by NABL, CAP, and KENAS, we ensure that every diagnostic procedure meets the benchmarks of precision and reliability.

Our dedication goes beyond technical excellence. We prioritize enhancing customer and patient experiences through proactive training programs, real-time feedback loops and continuous technological advancements. Building a culture of quality across our entire value chain isn't just a goal for us; it's our

daily mission. This holistic approach not only drives our success but also reinforces our standing as a trusted leader in India's diagnostics landscape.

Looking Ahead: Metropolis 3.0 Strategy

As part of our Metropolis 3.0 strategy, we are embracing a visionary approach to redefine industry standards. We plan to grow organically through our existing network and expand into underserved markets, specifically in Tier 2 and Tier 3 towns. Mergers and acquisitions will also play a crucial role in advancing our position. With a robust pipeline of new and advanced tests enhancing our technical

capabilities, we are optimistic about meeting industry needs and driving growth. Additionally, we plan to expand into adjacent areas such as basic radiology services, including ECG, X-ray, and Sonography, by forming strategic alliances to acquire new capabilities, enter new markets, and develop additional skills. Leveraging our strong brand recognition and omnichannel approach, we aim to capitalize on post-pandemic wellness trends and increase our market share.

Note of Gratitude

I extend my sincere gratitude to our valued customers and shareholders for their loyalty and continued support, and to the Metropolis Team

for their dedication throughout the year. I thank all the members of the Board of Directors for their invaluable leadership and deep insights through their wide-ranging experiences.

Together, we will leverage our strong foundation to pursue our bold vision and achieve new milestones in the years to come. With innovation as our compass and integrity as our cornerstone, we are confident in our ability to deliver sustainable value and make a meaningful impact on healthcare globally.

Sincerely,

Ameera Shah
Managing Director

¹ <https://www.sperresearch.com/report-store/india-diagnostic-laboratories-market.aspx>

² <https://economictimes.indiatimes.com/industry/healthcare/biotech/healthcare/world-health-day-indias-healthcare-sector-reflects-12-59-per-cent-growth-in-2024-25/articleshow/109105006.cms?from=mdr>



Message from The CEO



Looking ahead, we will intensify our network expansion efforts, focusing on Tier 2 and Tier 3 towns to penetrate new markets and elevate service standards.



Dear Shareholders,

I am pleased to share my message for this Annual Report for the fiscal year 2023-24, reflecting on the remarkable progress and achievements of Metropolis Healthcare. Our accomplishments over the past year inspire pride and a profound sense of fulfilment, as we lay a solid foundation for the future.

Over the past year, we have focused on strategic growth, operational excellence, and delivering exceptional value to all our stakeholders. With over 40 years of presence in India, Metropolis has thrived amid industry developments and competition. I firmly believe that our vision and dedication to prioritizing the well-being of our patients and customers will continually guide us in the right direction.

Operational Highlights

According to industry reports, the diagnostics sector is expected to progress at a CAGR of about 9-11% over the next five years. This growth is driven by several factors: a rising prevalence of non-communicable diseases, an increasing elderly population, higher penetration of government insurance schemes, growing awareness around health and wellness, advances in diagnostic technologies, and a greater emphasis on preventive healthcare. Notably, the organized segment of the industry is projected to grow at a faster pace, marked by a transition from unorganized entities to larger organized players. This shift presents a significant opportunity for Metropolis to expand its market share and reinforce its position as a leader in the industry.

In the past fiscal year, we achieved significant milestones by adding 24 new labs and 550 collection centers across India. By the year-end, our services reached over 600 towns, up from 307 in April 2023, driving a notable 28% revenue increase in Tier 2 and Tier 3 cities. This

expansion aligns with our strategic goal to broaden our footprint and enhance accessibility for a wider customer base.

Looking ahead, we will intensify our network expansion efforts, focusing on Tier 2 and Tier 3 towns to penetrate new markets and elevate service standards. Supported by a diverse test menu and initiatives targeting direct-to-consumer engagement, these strategic moves position us well for revenue and margin growth in the coming year.

Our digital initiatives have driven new customer acquisition and significant revenue growth, supported by tailored B2B service enhancements, dedicated relationship management, and a centralized help desk. Our strategic focus on premium wellness portfolios and specialized testing has significantly increased both volume and revenue during the fiscal year.

Pioneering Approach to Science and Innovation

At Metropolis, our goal is to lead in diagnostic advancements, setting new healthcare standards through innovation and scientific excellence. In FY 2023-24, we introduced over 100 new tests, focusing on faster and more accurate diagnosis of diseases and conditions. We introduced key advanced tests leveraging Artificial Intelligence and Next Generation Sequencing Technologies. Additionally, we partnered with a leading global AI solutions provider for pathology labs, enhancing our cancer diagnosis capabilities, workflow efficiency, and precision. This underscores our commitment to setting new standards in cancer care and supporting clinicians in detecting cancer more effectively.

As a preferred and trusted partner for doctors, we introduced Metrobot an AI-based chatbot on WhatsApp, tailored to streamline communication and meet their diverse informational

needs. Additionally, we launched the Partner Portal, connecting hospitals and primary labs with our referral lab, providing complete visibility into test samples and their status. Furthermore, we implemented Smart Interactive Test Reports, featuring expert videos and analytical test trends.

Digital Transformation and Customer Experience

We have embraced new methodologies and technologies by implementing agile enterprise systems customized for each department, streamlining workflows, boosting productivity, and ensuring swift responses to market dynamics. We have completed a comprehensive digital transformation and introduced advanced platforms to boost efficiency and enhance customer experience. Our systems now include enhanced sales Customer Relationship Management, a community cloud for lifecycle management, and a customer data platform for comprehensive consumer insights. Metropolis now utilizes Salesforce solutions across various operations, reinforcing our commitment to innovation in healthcare services.

We have continuously enhanced customer experience by understanding their needs, delivering top-quality services, and maintaining leadership in the diagnostics sector. Currently, Metropolis proudly holds an industry-leading Net Promoter Score (NPS) of 87. Another notable achievement is our successful attainment of ISO 27001 and ISO 27701 certifications, underscoring our commitment to the highest standards of information security management. This accomplishment ensures robust protection of patient privacy and secure handling of electronic health records, reinforcing our dedication to maintaining trust and confidentiality across all our operations.

Way Forward

Building upon our robust foundation, we are focused on expanding and strengthening our brand presence, particularly in the northern and eastern geographies. We will continue to invest in lab infrastructure and broaden our distribution channels. Our priorities include pioneering new test advancements and increasing engagement with specialist doctors to boost specialty volumes. Additionally, we are committed to elevating our service standards and enhancing digital marketing efforts to increase productivity at our existing centers.

Internationally, we plan to broaden our B2B footprint by leveraging our specialty hub in Mumbai as a reference lab for processing samples from global markets, following an asset-light model. Additionally, we intend to acquire firms with cutting-edge testing capabilities and ethical local B2C players in underserved markets for growth through bolt-on acquisitions. We are also considering underperforming brick-and-mortar firms, leveraging our expertise and strong brand to scale operations and improve profitability.

Note of Gratitude

Lastly, I would like to express my heartfelt gratitude to our Chairman, Dr. Sushil Shah, our Managing Director, Ms. Ameera Shah, and the Board of Directors for their continued support and guidance in leading this dynamic organization. I sincerely appreciate all our valued stakeholders, including clients, partners, employees, vendors, suppliers, and the wider community, for their continued trust and confidence in Metropolis. Together, we will build on our successes and strive to achieve new milestones in our journey of growth and excellence.

Sincerely,

Surendran Chemmenkotil
Chief Executive Officer

Strengthening our Foundation through Diverse Capitals

Inputs

Value-Creation Approach

Financial Capital

As a Company, Metropolis' primary sources of funding are equity obtained from investors and creditors.

Intellectual Capital

Metropolis' digital ecosystem and R&D capabilities, combined with tangible assets rooted in knowledge, enable it to provide highly effective customer service.

Service Capital

The Company utilizes its service network centers and cutting-edge laboratories to provide quality services to customers.

Human Capital

The Company invests in training and nurturing the skills and experiences of employees along with caring for their well-being, health and safety.

Natural Capital

The Company is committed to environmental sustainability and the preservation of our planet.

Social & Relationship Capital

Through our strong relationships with communities, customers, partners, doctors and government entities, the Company is able to achieve superior business performance, consistently delivering quality services.

During FY 2023-24, under the theme 'Year of More,' Metropolis has embarked on a journey guided by key strategic pillars, each reflecting its bold vision and long-term goals.



More with Cost Efficiency



More with Science



More with Quality



More with Technology



More with Digital



More with Customer



More with Network



More with People

Output and Outcomes

SDGs Impacted

Stakeholder Impact

Financial Capital

- Revenue from operations - **INR 1,190 Crs**
- Core business revenue grew by **13.3%**
- B2C revenue grew by **16.4%**
- Specialized test revenue grew at **16.5%**

Intellectual Capital

- Integration of Artificial Intelligence, NGS and Molecular Genomics
- Established Sub-specialty Pathology to advance diagnostics capabilities
- **102+** New Tests added in FY 2023-24
- Unique Next Best Action Approach and TruHealth wellness to address chronic diseases.
- Chatbot (Metrobot) to support doctors in providing enhanced services to patients.
- **28** NABL accredited Labs and **95%** rise in accredited tests over two years.
- Community Cloud for better lifecycle management

Service Capital

- More than **4,000+** tests & profiles
- **Net Promoter Score (NPS) – 87**
- **50,000** Monthly Interactions in CRM
- **4.7/5** - Phlebotomist Star Rating
- **199** Labs
- **4150** Service Network
- **12 Mn** Patient Volumes in FY 2023-24

Human Capital

- **5,000+** highly skilled and motivated employees
- Workplace equality and a strong work culture
- **43%** Women workforce
- **21,790** Training hours clocked

Natural Capital

- We have replaced all the traditional light with LED lights in all our corporate offices and labs to save energy
- **30% Y-o-Y reduction** in energy emissions
- Reduced CO₂ emissions
- **30%** Power Generation through renewable energy

Social and Relationship Capital

- **308** MedEngage Scholarship Beneficiaries
- **54** Aspirational districts reached via MedEngage Program
- **60%** Women Scholarship recipients
- **96,006** girls trained on Adolescent Reproductive and Sexual Health
- **4 Lakhs** beneficiaries under TB Nutritional Support Program



Shareholders

The Company aims to deliver growth that is sustainable, consistent, competitive, profitable, and socially responsible.

Customers

The Company aims to provide quality services with timely and accurate test results and top-tier home visit services, employing technology for the ease and convenience of the customers.

Our Partners

Through strategic partnerships with Third-Party Patient Service Centers in India and Africa, the Company intends to expand its geographic reach.

Our People

The Company strives to ensure fair compensation for employees, while also aiding them in discovering their purpose so they can reach their fullest potential at Metropolis.

Government

Metropolis is committed to delivering best-in-class service for the government contracts entrusted to us, ensuring excellence and reliability in every aspect of its operations.

Society

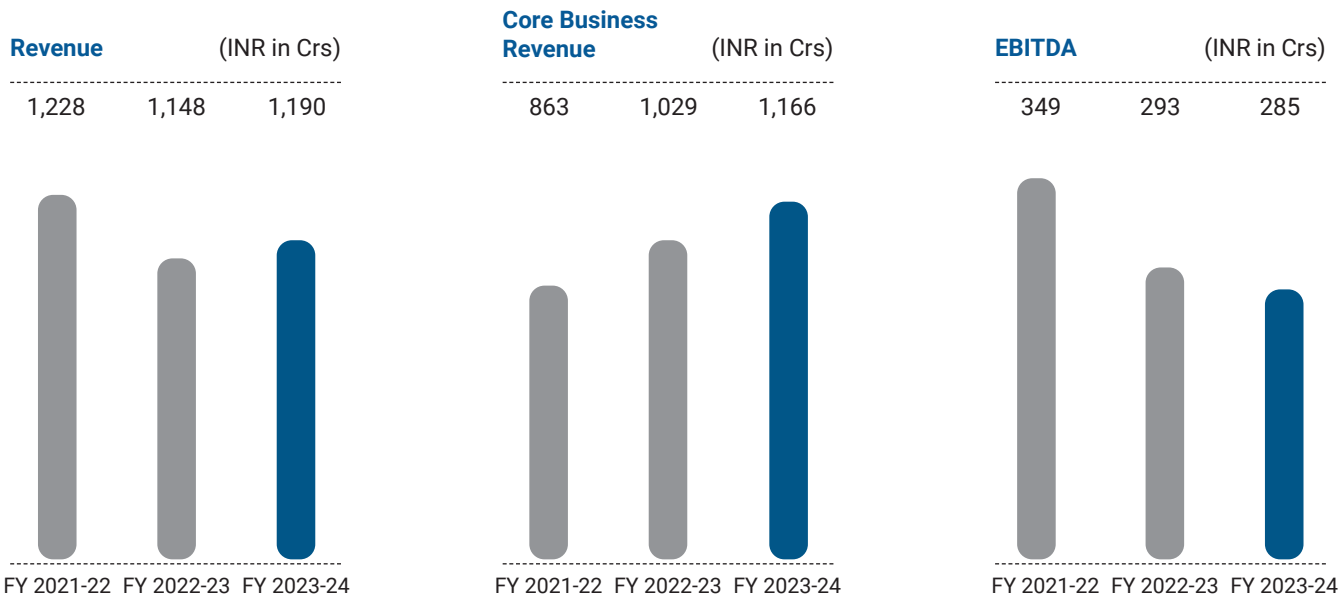
Metropolis is dedicated to fostering a fairer and more socially inclusive world by uplifting communities in our vicinity through various initiatives and contributions.

Financial Capital

Navigating The Financial Landscape



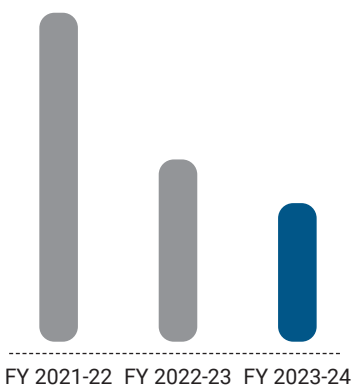
Given the ever-changing landscape in which Metropolis operates, the Company is committed to delivering optimal returns to its investors. The focus on business growth aligns seamlessly with providing best-in-class diagnostic services to customers while maximizing profitability throughout the organization. In the dynamic diagnostic sector, Metropolis's strategic financial approach ensures sustained success and satisfaction for its valued investors.



Note: *FY 2021-22 saw higher revenues as it was the concluding year of the COVID-19 pandemic.

PAT (INR in Crs)

215 143 128.1



FY 2021-22 FY 2022-23 FY 2023-24

Cash and Cash Equivalents (INR in Crs)

181 106 117



FY 2021-22 FY 2022-23 FY 2023-24

OCF to EBITDA (In %)

96 102 105



FY 2021-22 FY 2022-23 FY 2023-24

Patient Volumes (In Mn)

13.4 12.2 12



FY 2021-22 FY 2022-23 FY 2023-24

Revenue per Patient (INR in Crs)

914 944 992



FY 2021-22 FY 2022-23 FY 2023-24

Number of Tests (in Mn)

26 25.3 24.0



FY 2021-22 FY 2022-23 FY 2023-24

Metropolis leads the market with the highest Revenue Per Patient.

Revenue per Test (In INR)

479 453 495



FY 2021-22 FY 2022-23 FY 2023-24

Days Sales Outstanding (DSO) (In Days)

31 31 30



FY 2021-22 FY 2022-23 FY 2023-24

Demonstrating our robust capability to convert debtors into cash efficiently, Metropolis effectively unlocks capital that can be redirected towards strategic initiatives and operations. This proactive approach minimizes credit risks and reduces instances of bad debt write-offs within the company. The decrease in our DSO days signals enhanced efficiency in managing accounts receivable, coupled with improved liquidity management and faster cash conversion.

Working Capital (In Days)



Metropolis demonstrates comprehensive efficiency in managing its operating cycles, including accounts receivables, payables, and inventory. The Company's consistently shorter working capital cycle unlocks several benefits, such as enhanced liquidity, improved cash flow management, stronger supplier relationships, and higher investment yields.

EBITDA: Earnings before interest, tax, depreciation, and amortization
 PAT: Profit after Tax excluding exceptional items

Diversified Shareholding



- 49.7% Promoter
- 43.8% Institutional Ownership
- 6.5% Retail and Others

Ensuring a stable stock price and boosting resilience against market volatility, this diversification enhances liquidity and facilitates our capacity to raise capital through secondary offerings and access financial markets more effectively. Moreover, the rich mix of investors contributes to increased credibility, strengthened governance practices, and more informed strategic decision-making within the Company.



18%
 RoCE for FY 2023-24

With a robust RoCE of 18%, Metropolis highlights its strong profitability and effective capital management. The Company aims to raise RoCE to the mid-20s in the coming years, which will enhance its operational strength and support further growth initiatives.

INR 117 Crs
 Cash Reserves for FY 2023-24

Our strong cash reserves demonstrate our robust financial strength and readiness to seize strategic opportunities. They serve as a buffer against economic risks, ensuring stability in operations while enabling us to pursue growth and innovation confidently. They are a reflection of our prudent financial management and commitment to long-term sustainability.



INR 263.30 Crs
Net Cash from Operating Activities

More with Cost Efficiency

Metropolis is dedicated to enhancing operational efficiencies and driving value throughout its processes. Strategic sourcing practices and supplier partnerships are central to optimizing procurement costs and improving resource allocation. The Company is also implementing consumption control measures to ensure the judicious use of resources and minimize waste, thereby maximizing cost-effectiveness.

In addition, Metropolis is adopting innovative technologies and agile methodologies to streamline workflows, boost productivity, and respond to evolving market demands. By integrating procurement efficiencies, consumption control, and cutting-edge practices, Metropolis aims to achieve greater operational excellence and deliver superior value to its stakeholders.

Intellectual Capital

Advancing Diagnostics through Science and Technology



The realm of diagnostic testing demands continual research, development, and the evolution of testing techniques. Metropolis is dedicated to implementing advanced solutions to elevate the standards of diagnostic testing for its patients. By leveraging cutting-edge technology, the Company ensures accurate and reliable testing, meeting the needs of customers seeking high-quality diagnostic services. Through the seamless integration of technology and innovative solutions into its operations, Metropolis aims to become the first choice for diagnostic testing.



More with Science: Leading the Way in Scientific Excellence

For over four decades, Metropolis Healthcare has exemplified scientific leadership and innovation in the Indian healthcare sector. Pioneering advancements in diagnostics, Metropolis has consistently introduced cutting-edge technologies and methodologies, setting new benchmarks in patient care.

Through its dedicated Metropolis Innovation Cell, the Company has spearheaded the integration of Molecular Genomics, Artificial Intelligence, and Next Generation Sequencing, offering a suite of advanced diagnostic tests. This relentless pursuit of excellence has enabled Metropolis to deliver timely, accurate, and comprehensive diagnostic solutions, solidifying its reputation as a trailblazer in the industry.

102

New Tests Added
in FY 2023-24

390+

Field
Engagements

1.4 Lakhs

Clinicians Engaged
via Metrobot

100+

Subject-Specific
Expert Panel of
Doctors

Unique Scientific Strengths

Comprehensive Diagnostic Range

Offering a wide range of tests from basic microscopy to advanced molecular diagnostics

Integrated Testing

Combining results from different tests—such as those for cell analysis, tissue samples, and genetics—with a detailed look at the tissue for a full understanding.

Smart Interactive Reports

Featuring custom reports with expert videos and test trends for clearer understanding.



Advanced Digital Pathology

Using digital tools and telemedicine to enhance diagnostic capabilities

Compliance to Global Standards

Adhering to ASCO/CAP and WHO guidelines for accurate and reliable reports.

Sub-Specialty Pathology: Precision and Expertise

Metropolis Healthcare has established a dedicated sub-specialty pathology division to enhance its diagnostic capabilities with specialized expertise for each organ type. General histopathologists, who perform tests on a variety of biopsies, including those for skin, lung, and breast, are supported by experts with extensive knowledge and experience in these specific areas.

The team includes a distinguished panel of national sub-specialty consultants and utilizes advanced digital pathology technology. This integration of cutting-edge tools with expert clinical knowledge enables Metropolis to set new standards in patient care and diagnostic accuracy, ensuring the highest quality of service and precision in every diagnosis.

Gynecologic Pathology (Female Reproductive)	Genitourinary Pathology (Urinary and Genital)	Gastrointestinal Pathology (Digestive System)	Cytopathology (Cell-Study)	Cardiovascular Pathology (Heart & Blood Vessel)	Breast Pathology
	Head and Neck Pathology	Hematolymphoid Pathology (Blood & Lymph)	Hepatic & Pancreatobiliary Pathology (Liver and Pancreas)	Pulmonary Pathology (Lung)	
	Renal Pathology/ Nephropathology (Kidney)	Soft Tissue Pathology (Muscle Tissue)	Transplant Pathology (Organ Transplant)	Paediatric & Perinatal Pathology (Child & Newborn)	



New Test Offerings

- Comprehensive testing solutions for food and drug allergies.
- Syndromic Multiplex PCR testing for infectious diseases.
- Next Generation Sequencing (NGS) based tests for oncological and non-oncological conditions (Next Gen BRCA Comprehensive (NGS & MLPA), blood NGS), NextGen Oncomine Focus Assay 52 Gene Panel, Next Gen Cancer Hotspot 50 Gene Panel, Next Gen Oncomine Myeloid 69 Gene Panel and Next Gen HLA Typing
- Predictive Biomarkers for cancer Immunotherapy with immune checkpoint inhibitors



Advancements in Technology

- AI driven diagnostic solution, LCMS, Automated Immunoanalysers, MALDI-TOF.
- Algorithmic approach for Tuberculosis diagnosis.
- Next Generation Sequencing-based technology that offers ultra-high throughput, scalability, and speed for multiple breakthrough tests.



Innovations in Testing

Reflex Testing Approach – Metropolis’ Pioneering Concept

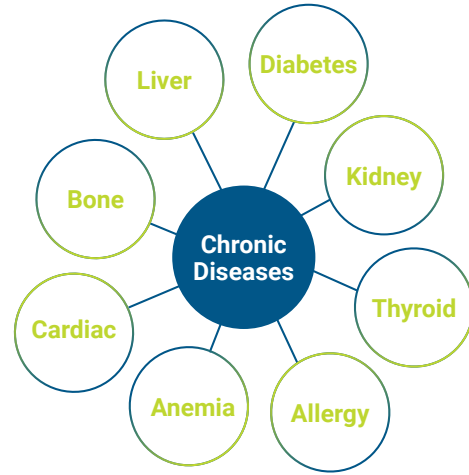
At Metropolis Healthcare, accuracy and reliability in diagnostics are paramount. As pioneers in incorporating reflex testing across all departments, we ensure clear and conclusive results to support effective medical decisions. Reflex testing is automatically performed when initial test results are positive or outside normal parameters, resolving inconclusive or borderline results without additional orders and minimizing delays. This approach eliminates inconclusive reports, reduces clinician doubt, alleviates patient anxiety, saves time, avoids repeat sample collection, and manages costs effectively. The Company’s commitment to reflex testing underscores its dedication and empathetic patient care, setting industry best practices and delivering high-quality diagnostic services.

Unique 'Next Best Action (NBA)' Approach for Wellness & Illness Tests

At Metropolis Healthcare, we are dedicated to addressing the rise in chronic health conditions through timely diagnosis, lifestyle modifications, and patient education. In alignment with this commitment, we launched the Next Best Action (NBA) initiative—a comprehensive program designed to empower patients and prevent severe complications from chronic diseases. This innovative initiative is based on a thorough data study of over 1,50,000 adults who underwent TruHealth package check-ups from 2019 to 2022.

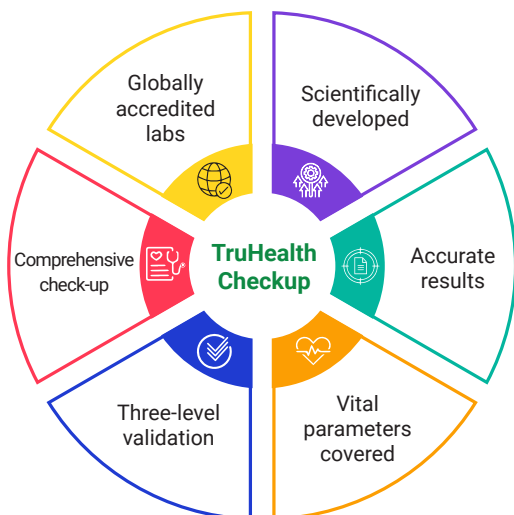
The NBA initiative uses basic blood parameters to recommend personalized follow-up tests based on the latest research and clinical guidelines. For instance, patients with elevated blood glucose levels receive tailored advice for diabetes monitoring, cardiac risk assessment, and complication management. By leveraging advanced data analytics, NBA provides a detailed understanding of diabetes-

related complications and guides treatment. The program also emphasizes regular check-ups and monitors prediabetes according to ADA guidelines. This proactive strategy underscores Metropolis' commitment to improving health outcomes through early detection and informed patient care.



TruHealth Wellness: Science-Driven Health Packages

At Metropolis Healthcare, true wellness is believed to start with optimal inner health, which is crucial for achieving long-term life goals. The TruHealth wellness packages are scientifically developed to provide a comprehensive assessment of an individual's inner health. These packages facilitate effortless monitoring and maintenance of key health parameters. Designed to address a variety of health needs, they cater to those in peak health, individuals with a family history of illnesses, and those managing specific health concerns, all tailored to individual risk factors.



Introducing

Specialized Full Body TruHealth Packages

No History of Illness

TruHealth Vital **TruHealth Vital Plus**

Crafted for people with no history of illness but are looking to actively monitor their health given current lifestyle and environmental factors.

Known Family Ailments

TruHealth Active (M/F) **TruHealth ProActive (M/F)**

Designed for people with a family history of certain ailments—such as diabetes, allergies, BP and heart disease, looking to monitor their health for early identification and management.

Monitoring Existing Illness

TruHealth Expert (M/F)

Customised testing to meet the specific needs of people with existing illnesses that need monitoring and management.

Building Centers of Excellence: Our Strategic Approach

Metropolis Healthcare is advancing from traditional diagnostics to AI-powered precision diagnostics through its unwavering commitment to excellence and innovation. The Company's leadership is reinforced by significant investments in advanced technologies, rigorous research, and continuous professional development.

We are establishing Metropolis as a network of Centers of Excellence specializing in Autoimmunity, Gastroenterology, Microbiology, Cytogenetics, and Allergy diseases. These centers, including the Global Reference Lab (GRL) in Mumbai and regional labs in Delhi, Chennai, and Bengaluru, are equipped with cutting-edge technologies such as Next-Generation Sequencing (NGS), Cytogenetics, and Immunofluorescence Assays (IFA), ensuring high-quality testing across all locations.

Supporting Clinicians and Advancing Knowledge

Our goal is to be a key knowledge hub that aids clinicians in making informed treatment decisions. We achieve this through our dedicated sales team, which promotes our comprehensive test range, and by engaging with the medical community through Continuous Medical Education (CME) programs, Round Table Meetings (RTMs), and national conferences. Collaborations with hospitals and medical institutions further our commitment to advancing healthcare through education and research.



KOL Spotlights

Showcasing insights from leading medical experts.



Research and Development



Podcasts and Webinars



Scientific PR



Joint Publications and Projects

Partnering on research to contribute to the scientific community.



Recommended Tests and Critical Value Alerts

Providing guidance on tests and addressing critical results promptly.



Panel Discussions

Facilitating expert discussions to advance diagnostic practices.



Metrobot

An AI chatbot on WhatsApp providing doctors instant test information and methods.



Metropolis hosted the 25th International Academy of Pathology – Indian Division (IAP-ID) Annual CME event in collaboration with the Asian Cancer Institute & Indian Medical Association, on September 9 and 10, 2023



Partner Portal

Connecting hospitals and labs with referral labs for full test visibility, with Smart Interactive Reports featuring expert videos and trends.

More with Quality: Precision in Practice

Metropolis Healthcare's Quality Assurance (QA) system is meticulously crafted to uphold the highest standards in diagnostic testing. This comprehensive, process-oriented approach integrates standard operating procedures, precise document and record management, and rigorous quality control measures, enhanced by external assessments and thorough internal audits. The system covers every facet of laboratory operations, extending from core functions to critical ancillary processes, including infrastructure management, procurement, equipment maintenance, and customer service.

The QA department, comprising 28 specialists with expertise in both technical and non-technical domains, operates independently across all Metropolis facilities. This dedicated team ensures rigorous oversight and adherence to stringent quality standards, enabling Metropolis Healthcare to consistently deliver superior diagnostic services and maintain exemplary quality throughout its operations.



Key Measures by the QA Team:

- **Quality Management System (QMS):** Accredited labs follow a robust QMS with digital documentation supporting environmental sustainability.
- **Lab Accreditation:** 28 accredited labs, expanding further, with a 95% increase in accredited tests over two years. Non-accredited labs undergo annual audits.
- **Customer Satisfaction:** A proactive CRM system is employed to manage and resolve complaints efficiently, in line with predefined Service Level Agreements (SLAs).
- **Internal Audits:** Comprehensive audits for labs and new facilities before they become operational.
- **Test Method Verification:** Thorough verification of new tests, with over 2,500 tests verified last year.
- **External Quality Assurance Schemes (EQAS):** All Metropolis Labs participate in accredited EQAS programs for clinical trials and partnerships.
- **Information Systems:** Quality of Laboratory Information Systems (LIS) is monitored for compliance with SOPs and secure access.



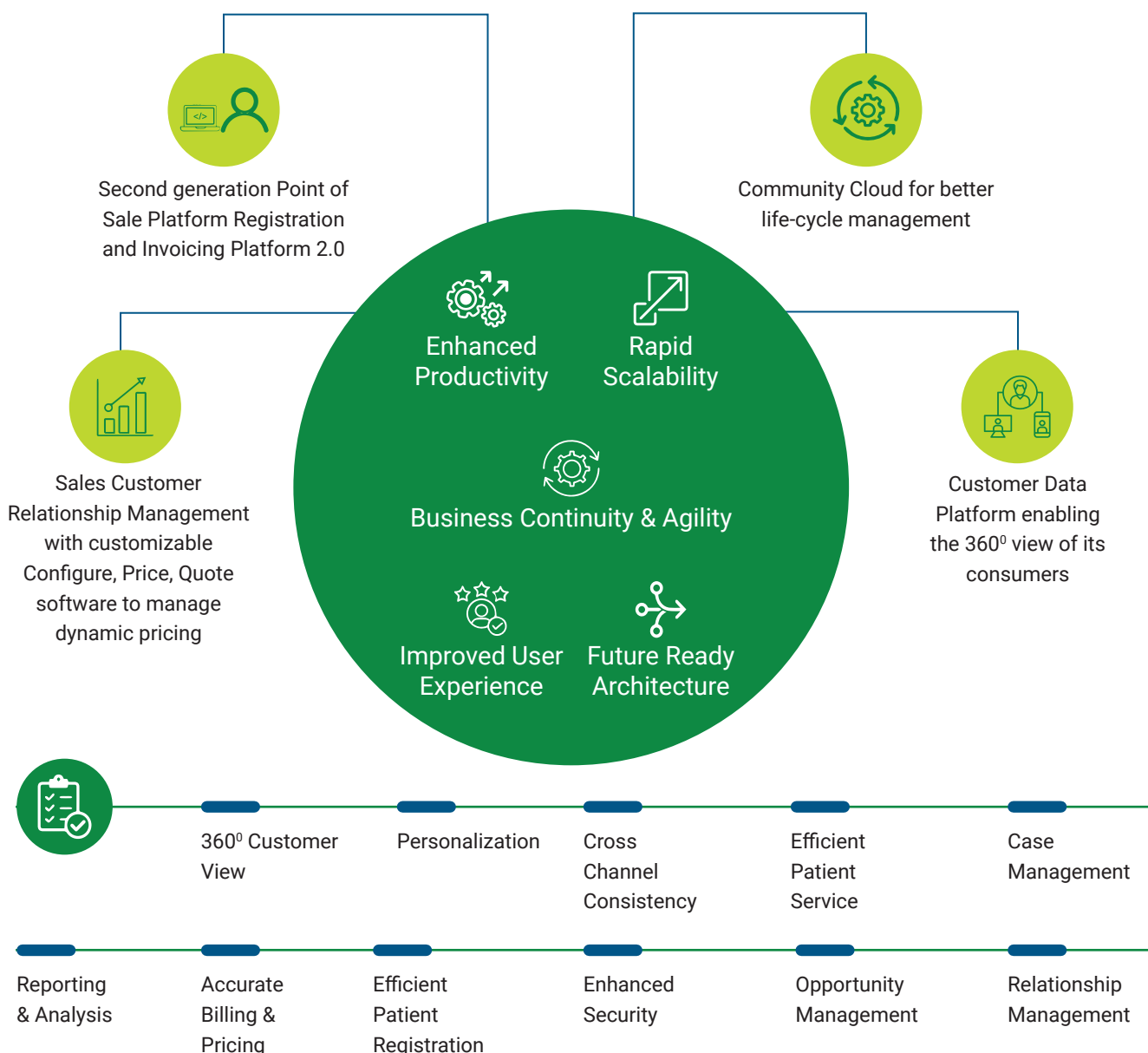
Driving Quality Forward: Our New Initiatives

- **Quality Culture Strengthening Initiative:** A new program based on ISO 10010 aims to enhance the quality culture across all locations and among all employees. Spearheaded by the Quality and Science teams and supported by a core group known as the 'Quality Circle,' this initiative is designed to embed quality into every aspect of operations.
- **Quality Index:** A new Quality Index has been introduced at each lab, evaluating performance across 10 parameters against predefined goals. This index will drive continuous improvement, with a perfect score reflecting balanced contributions from all parameters.
- **Internal Medical Advisory Board (I-MAB):** Building on the success of the external Medical Advisory Board for the last three years, Metropolis has established an Internal Medical Advisory Board (I-MAB) composed of subject matter experts. This board will support the Company's strategies in science, quality, and innovation.
- **MiLES (Metropolis Institute of Laboratory Education & Skilling):** MiLES, launched by Metropolis in collaboration with Maharashtra State Skill University (MSSU), offers advanced certificate programs for technical staff, including DMLT, BSc in Medical Technology, and specialized post-doctoral courses in Clinical Chemistry, Pathology, Cytogenomics, Quality Assurance, Digital Pathology, and Digital Marketing.

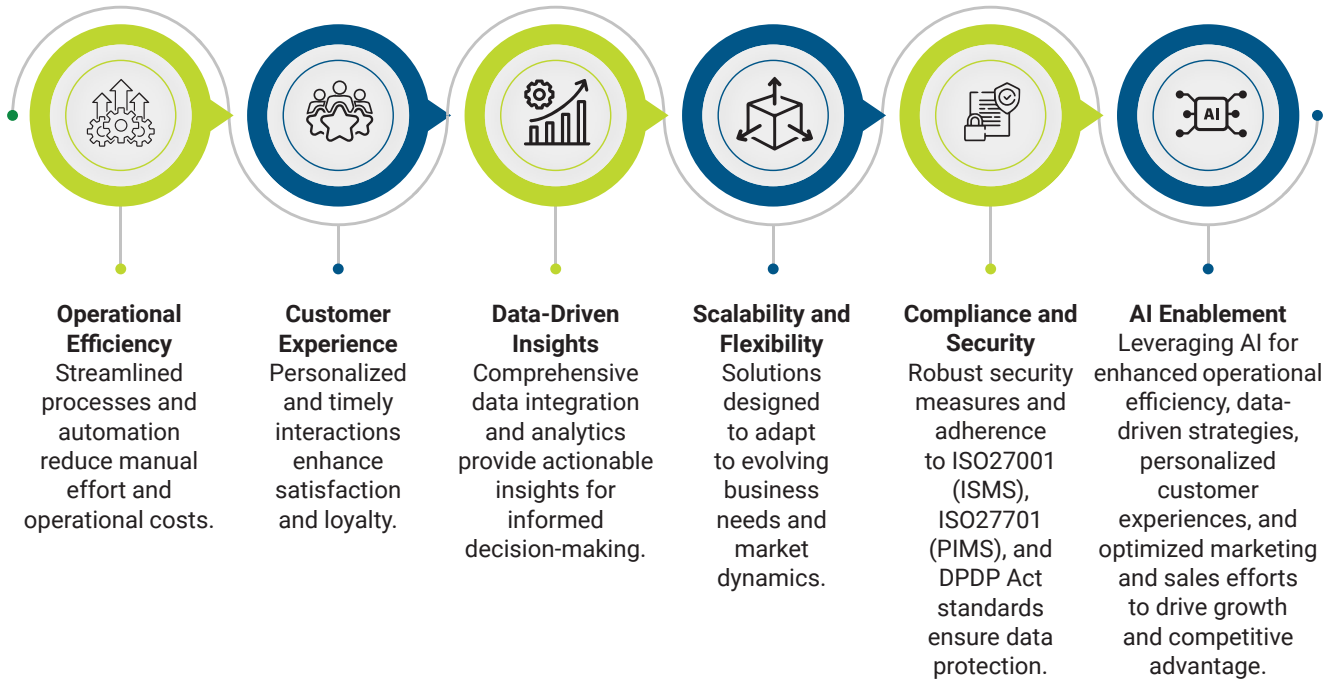


More with Technology

The Technology strategic pillar underscores Metropolis' strong commitment to integrating advanced technologies to enhance operations and efficiency. Key to this focus are customer relationship management (CRM) systems, the Customer Data Platform (CDP), a low-code development environment, and an agile tech architecture. These technologies are essential for optimizing sales, service, and marketing processes, thereby improving customer and partner experiences. By prioritizing these technological enhancements, the Company aims to streamline operations, boost customer engagement, and drive sustainable growth.



Our Value Proposition



Service Capital

Driving Excellence through Our Services



At Metropolis, excellence in diagnostic testing aligns seamlessly with unparalleled customer value. The Company's greatest asset is the quality and effectiveness of its services, and it is committed to enhancing the customer experience at every touchpoint. Utilizing state-of-the-art testing facilities and advanced technologies to ensure precise and reliable results, Metropolis aims to exceed expectations and deliver exceptional value to every individual it serves. By expanding its network and reach, the Company follows a scalable growth strategy that drives increased profitability.

More with Customer



Easy to Interpret Test Reports

We offer our patients a detailed test report, which covers trend analysis and patient-specific interpretations and comments by our doctors for certain tests and conditions

Conclusive Diagnostic

We also have a policy of ensuring a conclusive diagnosis to our patients, even if it involves incurring additional costs for us, by way of rechecks and reflex testing on alternate technology



Sample Collection at Doorstep

We have increased the scope of our home collection services to ~200 cities in India

Digital Access

We have developed a mobile application

- For scheduling house calls
- Accessing test reports
- Receiving test reminders
- Online requests for billing information

Enhanced Customer Service: Our new Initiatives

During FY 2023-24, Metropolis launched two key initiatives: Rx WhatsApp and B2B Helpdesk, aimed at enhancing customer and partner support. The Rx WhatsApp simplifies prescription processing, enabling teams to swiftly share and verify prescriptions via WhatsApp, ensuring clear communication and confident interactions. Simultaneously, the B2B Helpdesk provides real-time support to partners, centralizing query resolutions and enhancing overall customer satisfaction. These initiatives underscore our commitment to efficiency, clarity, and exceptional service delivery across all interactions.

METROPOLIS
The Pathology Specialist

Unable to understand Rx?

WhatsApp Number
9920501330

Time: 8 AM to 10 PM

Send Prescription on WhatsApp | Get response in 30 Mins | Get Test Codes and Test Prices

Send a Picture/Image of Rx on this WA Number to get Test and Pricing Details

Scan here to connect now

*Only test codes and prices will be provided on WA. No other general queries will be addressed on this WA number.

METROPOLIS
The Pathology Specialist

Partner Helpdesk

One point contact for all your queries

Just call
18002101801

07.00 AM to 10.00 PM
(Hours of Operation)

www.metropolisindia.com | Test Assured. Rest Assured.

Quality of Care and Patient Satisfaction

Metropolis has a strong focus on employing its digital infrastructure to provide best-in-class services for its customers. The Company has developed and enhanced its IT infrastructure aiming to enhance efficiency and productivity through data analytics and refined process management.

Metropolis employs a robust grievance redressal system with an escalation matrix to address customer complaints. The Company uses the Net Promoter Score (NPS) to gauge customer satisfaction and loyalty. Customers rate their experiences on a scale of 0-10 via SMS, WhatsApp, email surveys, classifying them as Promoters, Passives, or Detractors. These surveys cover critical service aspects such as timely visits, payment processes, ease of access, phlebotomy experience, and report turnaround time.

A dedicated team addresses concerns from Detractors, ensuring service recovery and continuous improvement. This approach helps Metropolis understand customer needs, enhance service quality, and maintain its leadership in the diagnostics sector. Currently, Metropolis boasts an industry-leading NPS of 87. Additionally, a Service CRM has been introduced to handle complaints and feedback from various sources, both nationally and internationally.



87
NPS Score

Reduction in Detractors
from **4%** to **3%**

50,000+
Monthly Interactions in CRM

In line with the Metropolis 3.0 Strategy, the Company is enhancing customer experience through consistent processes and delightful delivery. By standardizing procedures and protocols, Metropolis aims to streamline workflows, minimize errors, and optimize service quality. The Company emphasizes creating memorable and gratifying experiences through personalized interactions and attentive care.

This year, the 'Rate our Phlebotomist' system was introduced to further enhance the customer experience.

With a phlebotomist star rating of 4.7/5, Metropolis ensures superior and hassle-free experiences. The expert service recovery team has effectively reduced detractors from 4% to 3%.

The Service CRM facilitates the handling of complaints and feedback, resolving 90% of complaints within 24 hours and 55% within 4 hours. This robust complaint management system underscores Metropolis's commitment to customer satisfaction and service excellence.



Ensuring Quality of Care and Patient Satisfaction is central to our ESG strategy, with a goal to achieve and sustain an NPS of 90% by 2028.

More with Network

Operating in more than 22 states across India, Metropolis intends to expand its customer base nationwide. This expansion strategy prioritizes high scalability and aims to increase overall profitability through an asset-light model. By utilizing the A-PSC and D-APSC models, the Company aims to enhance revenue growth by offering management and branding support while increasing penetration in its Patient Service Centres (PSCs).

Metropolis has embraced a scientific approach to expanding its labs and centers. While maintaining a significant nationwide presence, the Company is enhancing its footprint in Tier 2 and Tier 3 towns, with a particular focus on Northern and Eastern regions of India, alongside its core geographies. Since April 2021, Metropolis has added 54 labs and plans to open more across India in FY 2024-25. Additionally, the new labs are primarily focused on specialty-driven B2B business, which is expected to scale within 2 to 3 years of opening. The Company aims to extend its presence to more towns in the coming years through both organic and inorganic expansion.

54 Labs
Added since April 2021

1,480 Centers
Added since April 2021

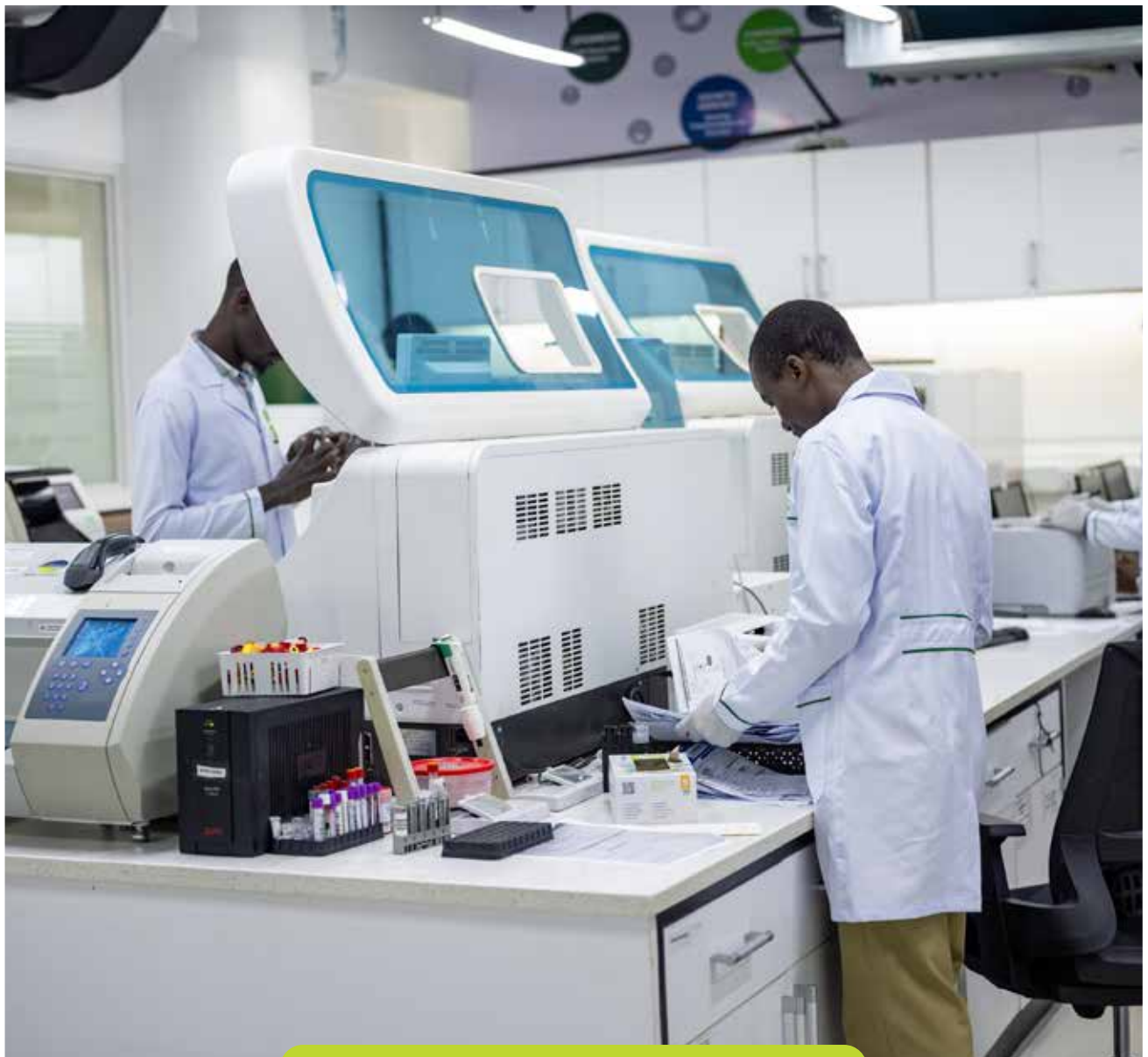
Diversifying into Adjacent Services

As part of its strategic expansion, Metropolis is broadening its scope into adjacent areas such as basic radiology services including ECG, X-Ray and Sonography, allied services, and primary healthcare to acquire new-age capabilities. The Company has adopted an asset-light model for this growth, leveraging existing infrastructure efficiently. By capitalizing on its loyal customer base, Metropolis aims to seamlessly integrate these complementary ancillary services.



Strategic Acquisitions

To enter new markets, Metropolis is exploring strategic bolt-on acquisitions to enhance its existing product lines and capabilities. The plan includes integrating these acquisitions into Metropolis' sales and marketing network, offering a broad range of tests from Metropolis' menu. This approach not only boosts the capabilities of the acquired entities but also improves the customer experience. Additionally, leveraging the Metropolis brand helps these entities strengthen their local market presence, increasing visibility and credibility.



Technicians working in the Metropolis Laboratory, Kenya.

Human Capital

Our Team Our Strength



The workforce at Metropolis, with its diversity and collaborative spirit, is the strength of the Company's operations. With a strong commitment to excellence and a culture of continuous learning, the Company fosters an environment of innovation and creativity, driving it towards continuous growth and success.

Metropolis prioritizes the safety and well-being of its employees, providing comprehensive benefits and tailored skill programs to fuel their professional growth. The Company holds its employees in high regard, actively soliciting their feedback to cultivate a nurturing, equitable, and uplifting work environment that thrives on happiness.

43%

Women Employees

200+

Doctors

3,400+

Scientific and Technical Specialists

60%

Young and Millennial Workforce

5,500+

Highly Skilled and Motivated Members

Culture at Metropolis

At Metropolis, our work culture echoes the ethos of professionalism, teamwork, and innovation. With a focus on crucial factors, including **Employee Engagement, Employee Safety, Diversity, and Cross-Functional Collaboration for mission-critical areas**, we enable our

employees with opportunities for personal and professional growth. Our employees are our most valuable assets, who support us in delivering the best to patients and enable us to develop innovative solutions that meet our customers' ever-evolving needs.

With our Employee Value Proposition (EVP), we are dedicated to 'Taking Life Up A Notch.'



Metropolitans have no limit to discovering their potential for excellence. We are always scaling newer heights by sharpening our accuracy and enhancing our transparency. Our EVPs stand strong with 5 cultural pillars - Trust, Openness, Innovation, Compassion and Growth Mindset. Our EVPs make us who we are and usher us closer to each goal we set for ourselves as a team. Here is how:

More with People

Metropolis places significant emphasis on building and retaining strong talent within its workforce as a foundation of its people strategy. Through competitive compensation packages, professional development opportunities, and a supportive work environment, Metropolis endeavors to cultivate a dedicated and skilled workforce.

Recognizing the pivotal role of sales professionals and doctors in driving the Company's success, Metropolis implements targeted initiatives to attract and retain top-tier talent in these key roles. By prioritizing the retention of sales personnel and doctors, the Company aims to ensure continuity in delivering high-quality services to its customers, while also encouraging a culture of growth and excellence within the organization.

COMPASSION

Contributing to society is a cause that we believe in. Although we are known for our patient-centric approach, our empathy also extends to our employees.

OPENNESS

We are open to listening to what our people have to say about us. As an employer that strives to inspire and encourage its people to share their thoughts, our employees feel valued and heard.



TRUST

The trust of the team has made us more accountable and responsible. It has made us passionate about raising the bar of quality and accuracy in all our endeavors. This has created a sense of belongingness within and outside the organization.

INNOVATION

We are active seekers of challenge and are innate risk-takers. We inspire our people and drive them toward opportunities that nurture growth and innovation.

GROWTH MINDSET

Our leaders are constantly imbuing values of support among team members. This enables them to grow within the organization and view challenges as opportunities.

We are dedicated to creating an **Engaging Environment** where employees feel connected, valued, and empowered.

- Our annual 'I Commit' sessions at the start of each financial year outline organizational goals, functions, and business unit priorities, fostering a shared sense of purpose.
- Quarterly Leadership and Functional Town Halls with our CEO and CXOs keep our team informed about Company strategy, progress, and upcoming initiatives.
- Engagement Camps at various business units address and resolve people issues across different regions and functions.
- We celebrate achievements through milestone celebrations and recognition programs, highlighting the success of high-performing teams.



Leadership Team at the Annual Management Meet – EMERGE 2024

Our Philosophy of Growth and Learning

We are committed to cultivating an environment that promotes continuous growth and learning. Our focus is on ensuring that our employees are well-prepared to capitalize on current industry trends through targeted training initiatives. This commitment is evident in our diverse range of training and upskilling programs designed for leaders and employees across all levels of the organization.

Our learning agenda 'Shikshantar' is built around the philosophy of building people capabilities as unique differentiators for Metropolis. Our learning strategy is closely aligned with the business strategy and individual development goals.

21,790
Total Training Hours
Clocked

162
Trainings Covered

Induction Programs

Our robust induction programs ensure that the new hires are quickly acclimatized to the organization and understand the finer nuances of the ways of working. At Metropolis, we offer tailored induction programs for each of our teams. These include **Sales Parichay** for our sales team, **Tech Parichay** for our technical team, **E-Phlebo Parichay** for our Phlebotomists, and **Doctor Parichay** for our doctors. These programs are designed to ensure that each team member receives targeted orientation and training specific to their role and responsibilities within the organization. Additionally, all new joiners undergo a one-day national induction program, **M Parichay**, that gives them an opportunity to not only know about the organization in detail, but also interact with the CXOs and senior leadership team as well. This holistic program provides new hires with visibility into the core values of the organization, as well as its policies and processes.

Training and Development

Service Excellence

Our varied programs for phlebotomists and logistics teams focus on enhancing customer orientation to improve patient experience. The comprehensive New Hire Training (NHT) Program, along with regular refreshers for existing employees, ensures thorough training on products while also developing skills in time management, interpersonal communication, and basic coaching.



Training Program for Phlebotomists and Logistics Team

Tech Excellence

In addition to the induction program, Metropolis offers 'MetEdge', a comprehensive Learning Management System (LMS) tool. This platform features an e-certificate program divided into four levels: Bronze, Silver, Gold, and Platinum. Participants must complete each level before advancing to the next.

Sales Excellence

Our sales training program is designed to build a highly skilled and productive sales force, driving market leadership. The flagship 'Sales Gurukul' program is an intensive two-day course that enhances both technical and soft skills. Additionally, our 'E-detailing' programs deliver brief, on-the-go updates about our tests and services.



A Sales Gurukul Session in Progress

Investment in Talent

Building Leaders

'ZSM Sparks Academy' and 'North Star Academy' are 6-month interventions to build future zonal sales leaders and functional leaders respectively. These academies are a mix of learning initiatives including working on strategic action projects, mentoring by CXOs, buddy programs and tailored training workshops.

For the Doctors

Our signature program for doctors, 'MHL Maestro,' offers a diverse range of interventions. This includes 'M Accelerator,' a 9-month academy aimed at developing future Chief of Labs (COL). It features personalized training, technical projects, mentorship by seasoned COLs, and opportunities to enhance personal branding through Continuing Medical Education (CMEs) and Round

Table Meetings (RTMs). Our CXOs regularly engage with lab teams to gather feedback and provide support. Additionally, 'Project Sparsh' is a mentoring initiative for high-potential doctors.

Our technical career fair 'Udaan' aims at giving full visibility to all the doctors about possible career opportunities within Metropolis.

For Business Heads

'Power of MORE' is our 360-degree development initiative for existing Business Heads that includes customized learning interventions, coaching by an external seasoned coach, market visits across the country and tailored e-learning modules.



'Power of MORE' Session with Ameera Shah, Managing Director, Metropolis Healthcare

Upskilling People Managers

Our People Managers participate in multiple training programs designed to enhance their leadership skills. The 'Power of We' program focuses on agile leadership for senior leaders, 'Crucial Conversations' equips them to conduct forward-looking and impactful performance discussions, and 'Lead Right' supports junior management level managers. These programs enable our managers to build highly engaged and high-performing teams.

Career Guidance

'MyCareer @MHL' comprehensively addresses employees' career queries and concerns. Employees can easily schedule consultations with subject matter experts (SMEs) to receive personalized support and guidance, ensuring their professional journey at Metropolis is well-supported and successful.

Skip-level meetings connect high-potential employees directly with senior leadership, offering valuable career guidance and mentorship.

Our 'Career Conversations with the Chief People Officer' initiative enables mid and senior leaders across functions and geographies to engage in career-related discussions.

Rewards and Recognition for Our Employees

Metropolis' rewards and recognition framework is designed to celebrate exceptional contributions across various areas. We acknowledge outstanding service through awards for top-performing teams and individuals. Our technical achievements are recognized with regular honours for the best-performing labs. Sales excellence is celebrated by highlighting notable achievements at both individual and team levels. Individual contributions to organizational success are also prominently acknowledged. Additionally, special event-based awards are presented throughout the year, further celebrating employee milestones and achievements.

Championing Diversity and Inclusion

At Metropolis, every team member plays a vital role in fostering a unique workplace culture centered on exceptional service delivery. We are committed to gender equity through policies that promote diversity, inclusivity, and equal opportunities for all. Our goal is to build a workforce that authentically represents diversity, aiming for balanced representation across all organizational levels. We continue to enhance our Diversity, Equity, and Inclusion (DE&I) initiatives, with a particular focus on improving diversity among new hires.

Our approach to inclusivity and diversity includes comprehensive training and awareness initiatives on the Prevention of Sexual Harassment Policy and the Code of Conduct Policy.

With 43% of our workforce comprising women, we are dedicated to being a women-centric organization. Our pioneering 'Career 2.0' program, a first in the diagnostic industry, supports women returning from career breaks. This initiative offers flexible work options in various roles, including Pathologists, Technicians, HR, Marketing, and Sales, accommodating both full-time and part-time needs. 'Career 2.0' empowers women to regain control of their careers while balancing personal and professional responsibilities.



Responsible Progress through ESG Initiatives

In a world grappling with heightened challenges such as climate change and socio-economic complexities, prioritizing Environmental, Social, and Governance (ESG) initiatives has become a critical business imperative. The Company has strategically integrated ESG into its core corporate strategy, setting ambitious goals and establishing a robust governance framework to drive substantial positive impact.

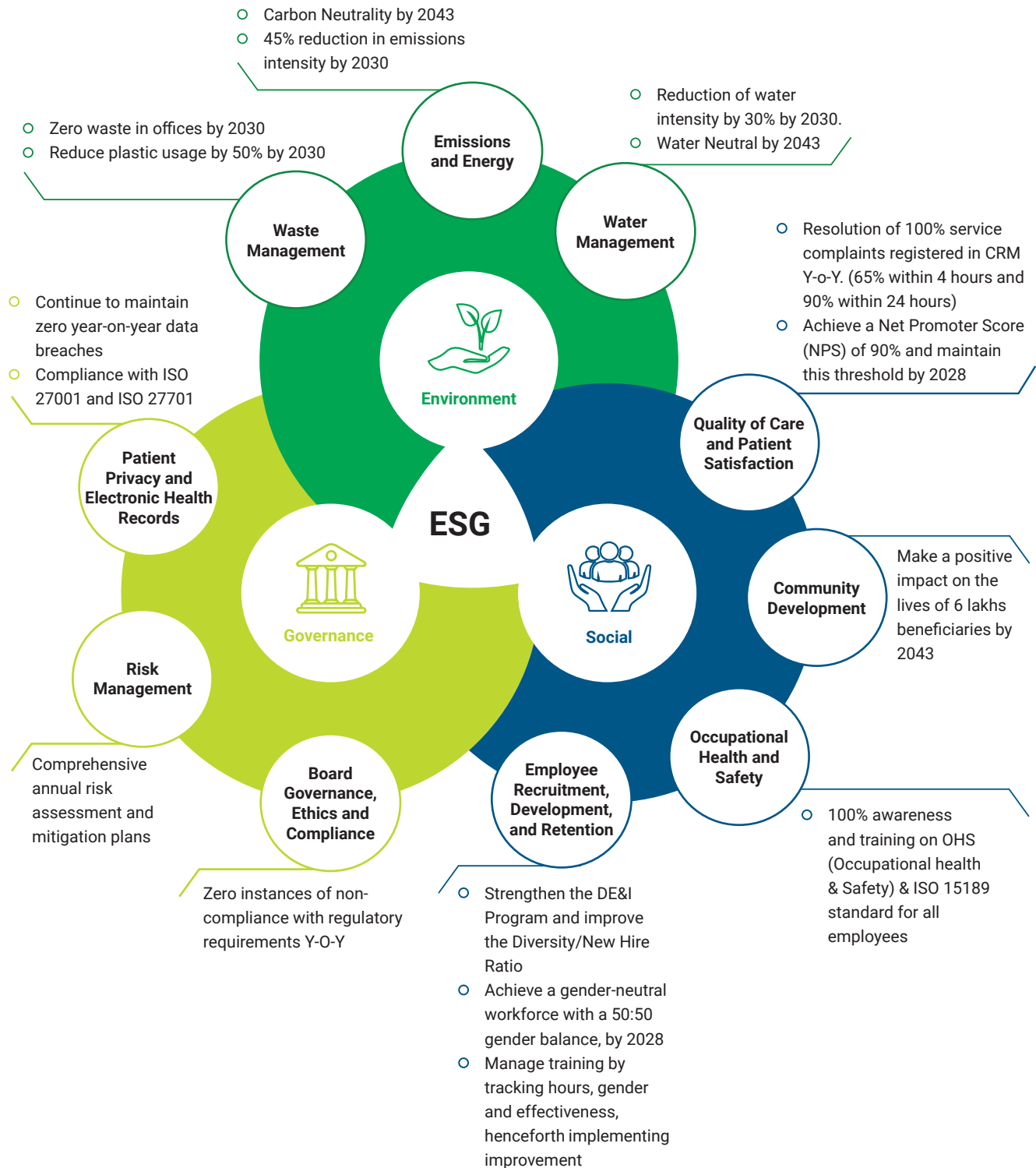
Our ESG Journey

Partnered with GovEVA Consulting firm to launch our ESG Lifecycle Management initiative, utilizing their AI platform and advisory services to enhance Metropolis' ESG efforts

Initiated our ESG journey in April 2022

Conducted a digital Materiality Mapping Assessment through the GovEVA platform

Our ESG Focus Areas



Engaged key stakeholders to complete the Current Baseline Assessment

Developed a strategic roadmap with clear objectives, benchmarks, and actionable steps for implementation

Executed ESG initiatives and established reporting processes

Published our ESG highlights and unveiled the inaugural BRSR in the Annual Report 2022-23

Natural Capital

Bold Steps Towards A Greener Tomorrow



Metropolis is dedicated to minimizing its environmental footprint through comprehensive strategies in energy, waste and water management. By adopting advanced energy efficient technologies and implementing responsible waste management and water conservation practices, the Company aims to lead the way in promoting sustainable operations.

SDGs Impacted



Emissions and Energy

Metropolis has embarked on a series of eco-friendly initiatives to reduce its carbon emissions, aligning with its commitment to environmental responsibility.

- Installation of LED lights at all operational facilities
- Utilization of solar and wind power systems
- Installation of CNG kits in all company-owned vehicles
- Scheduled maintenance of HVAC (Heating, Ventilation, and Air Conditioning) systems, including timely filter replacements, repairs, and upgrades as needed, and adjustments to thermostat settings tailored to occupancy schedules to optimize energy utilization
- Implementation of travel blackout periods to reduce carbon footprint

30%
Energy Emission
Reduction Y-O-Y

30%
Power Generated
from Renewable
Sources

Waste Management

In line with its commitment to reducing the environmental impact of its operations, Metropolis has implemented a comprehensive waste management strategy. This includes:

- Eliminating plastic use in operations
- Recycling discarded reagent and consumable bottles
- Treating all contaminated wastewater at effluent treatment plants to prevent environmental contamination
- Segregating waste on-site to ensure proper disposal
- Managing and disposing of biomedical waste through authorized partners
- Launching an e-waste buyback program to promote responsible electronics recycling and minimize environmental impact

37%

Reduction in Plastic Waste Y-O-Y

Water Management

- Introduction of water-saving nozzles
- Introduction of urinal cakes at key locations
- Plans to reuse RO wastewater for western toilets by installing additional containers and pumps in the coming year



The Way Forward

Continuing its commitment to sustainability, the Company has set ambitious targets for the coming years, underscoring its dedication to environmental stewardship and responsible business practices. The goals include reducing its carbon footprint, minimizing waste, and conserving natural resources through innovation and efficiency. The Company is also actively seeking partnerships with like-minded organizations to enhance its impact and drive broader positive change. By aligning its actions with its values, the Company aims to build a more sustainable and resilient future for generations to come.

Social and Relationship Capital

Fostering Social Responsibility



Recognizing its role as a responsible corporate citizen, Metropolis channels its resources towards addressing pressing social issues and making a positive impact on the communities it serves. By leveraging its expertise in healthcare and collaborating with local stakeholders, Metropolis endeavors to empower individuals, enhance healthcare accessibility, and contribute to the overall well-being of society.

SDGs Impacted



Empowering Communities through CSR Initiatives

Metropolis Foundation, the Corporate Social Responsibility (CSR) arm of Metropolis Healthcare, is dedicated to positively impacting lives. Aligned with the UN Sustainable Development Goals, the Foundation's CSR activities focus on education, gender equality, health, adolescent and women empowerment.

Our Approach to CSR Goals



Too Shy to Ask/Adolescent Reproductive Sexual Health

Preventive
Healthcare
Projects

MedEngage

Delhi Skill and
Entrepreneurship University

MedEngage

The MedEngage is a holistic medical outreach program dedicated to nurturing young medical talent in India. It provides emerging healthcare professionals with guidance, support, and direction through various initiatives, including scholarships, Observership programs, academic research support, laboratory tours, internships, and MedTalk webinars to enhance their educational journey.

The MedEngage Scholarship Program, the flagship CSR initiative, provides scholarships and research grants to alleviate financial barriers and address skill gaps among medical students. By offering financial support and practical experience

through Metropolis' state-of-the-art laboratories, the program fosters innovation and empowers future healthcare professionals. MedEngage is dedicated to advancing patient care and enhancing community health outcomes. For more information, visit www.med-engage.com.

During the FY 2023-24, the program received applications from 603 cities across 29 states, and around 150 applications from aspirational districts. This broad participation underscores MedEngage's commitment to societal development and equitable access to opportunities.



MedEngage Scholarship Summit 2023-24

6,019

Applications in
FY 2023-24

308

Scholarships
Beneficiaries

54

Aspirational
Districts Reached

60%

Women Scholarship
Recipients

MedTalk

Launched in 2023 on the MedEngage platform, this pioneering initiative offers a dynamic space for both seasoned and emerging medical professionals to collaborate and shape the future of healthcare. Through direct interactions with experts, participants gain invaluable insights, broadening the horizons of aspiring doctors and facilitating knowledge exchange. Presented as a web series, this initiative covers a wide range of topics, enriching the educational experience for all involved.

1,10,000
Participants

11
MedTalk Episodes



MedTalk Episode with Dr. Mrudula Phadke, Sr. Adv. NRHM, UNICEF and Ex-Vice Chancellor, Maharashtra University of Health Sciences (MUHS) and Dr Neha Damodhar, MedEngage winner

Too Shy to Ask (TSTA)

The 'Too Shy to Ask' program operates under the overarching principle of 'Educate, Empower, and Encourage,' encompassing two interconnected components: Digital and Physical Outreach.

Digital Outreach: Introduced in 2017, 'Too Shy to Ask' (TSTA) is India's pioneering gender education, adolescent, and reproductive sexual health education app, a collaborative endeavour between Metropolis Foundation (formerly WE Foundation) and Metropolis Healthcare.

TSTA aims to provide a secure and inclusive space for teenagers, teachers, and parents to engage in candid discussions and access reliable information on subjects crucial to adolescent well-being. The app covers gender education, equality, nutrition, mental health, and reproductive and sexual health, empowering adolescents to ask questions anonymously, addressing their reluctance to seek guidance from parents or other sources.

12,462
Organic Installs of TSTA App

4.19
Rating on Google PlayStore

Physical Outreach: Beyond the digital platform, the 'Too Shy to Ask' program engages rural and urban communities in Maharashtra and Tamil Nadu through partnerships with local NGOs. It equips adolescents with essential knowledge and skills in menstrual hygiene and leadership, while promoting gender equality and addressing taboos surrounding sexual health. The program also trains adolescent influencers and teachers on Adolescent Reproductive and Sexual Health (ARSH) and conducts regular sessions for girls through Kishori Manch, a platform to discuss various issues. With nine implementation partners, it supports individual growth and fosters the development of healthier, more informed younger generations in India.



Kishori Manch Sessions in Maharashtra

660

Kishori Manch (Platform)

1,853

Teachers Trained

96,006

Adolescents Reached



'Priya Sakhi' (adolescent influencers) - The Torch Bearers of the Swasthya Saheli Project in an Aspirational District



NGO Partners of Too Shy to Ask initiative at the Adolescent Reproductive and Sexual Health (ARSH) Training Program held in Mumbai

Preventive Healthcare Projects

Metropolis is dedicated to impactful CSR initiatives, focusing on preventive healthcare for diseases like diabetes, anemia, and tuberculosis. Under this initiative, TB patients receive crucial support, including nutritional assistance as a part of the Pradhan Mantri TB Muk

Abhiyan. Individuals affected by anemia are offered comprehensive healthcare support to enhance their overall well-being, while diabetes awareness sessions aim to positively impact those living with diabetes.

Nutritional Support to TB Patients

In its second cycle, this CSR initiative supported 1,000 TB patients in the 'L' ward of Mumbai, Maharashtra, in partnership with the Brihanmumbai Municipal Corporation. Alongside providing nutritional support, TB Samvad sessions were held, enabling interactions between TB patients, survivors, and government officials, with over 50 participants. Metropolis also offered nutritional counseling and trained local peer counselors to assist TB patients in adhering to treatment and nutrition guidelines.



Distribution of Nutritional Kits to TB Patients



'TB Samvad' Session being addressed by Dr. Varsha Puri, Mumbai TB officer, Brihanmumbai Municipal Corporation

4 Lakhs
Beneficiaries

6,000
TB Nutritional Kits Distributed

80%
Patients Showed Increase in BMI

Creating Awareness on Anemia and Diabetes

To strengthen the community awareness campaign, comprehensive health talks were conducted on anemia. The discussion served as a forum for thorough conversations, addressing inquiries, and emphasizing crucial messages regarding the prevention and management and prevention of anemia.

14+
Health Talks Organized





Nukkad Natak (Street Play) on Anemia at Kurla, Mumbai

Community Outreach

3,44,301

Beneficiaries
(Diabetes Awareness)

1,00,301

Beneficiaries
(Anemia Awareness)

6,000

Beneficiaries
(TB Awareness)

DSEU (Delhi Skill and Entrepreneurship University) Program

Metropolis partnered with DSEU in 2020-21 for a three-year period to advance skill development and entrepreneurship in Delhi. It provided medical equipment and consumables for Medical Laboratory Technology (MLT) labs and contributed to curriculum development to enhance the program's credibility.

From 5 labs in FY 2022-23, Metropolis has set up 2 additional labs, increasing the total to 7 labs in FY 2023-24 for the B.Sc. and M.Sc. Medical Laboratory Technology programs at Mira Bai and Dwarka campuses. This initiative will benefit over 500 students annually who enroll in these programs.



Students doing practicals in Mira Bai Campus

Governance

Driving Success with Good Governance



At Metropolis, strong corporate governance is recognized as a fundamental catalyst for business growth and long-term sustainability. The Company upholds a governance philosophy rooted in ethical conduct, transparency, and accountability. This approach not only guides our business responsibility initiatives but also enhances value for our stakeholders.

SDGs Impacted



Governance at Metropolis

Metropolis's governance framework provides a comprehensive outline of its structure, focusing on crucial policies, procedures, and initiatives. Prioritizing transparency and upholding the highest ethical standards in all our operations, the Company's focus is on developing robust business strategies and implementing strong risk management practices.

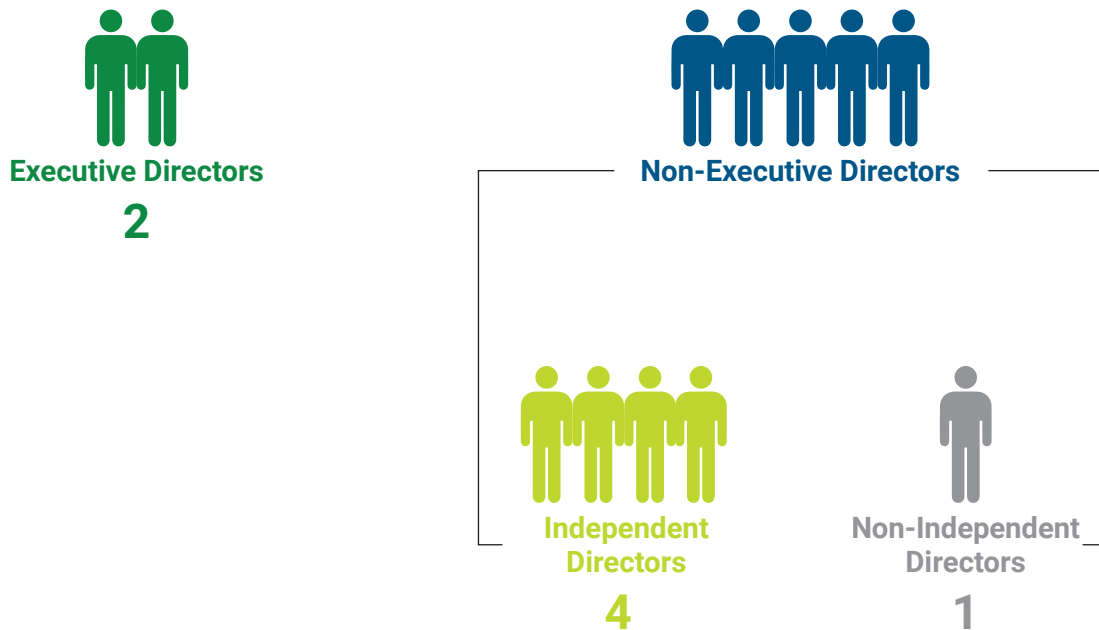
At the core of its strategic direction is a distinguished Board of Directors, composed of accomplished experts and renowned industrialists. Responsible for crucial policy-making and operational oversight, the Board diligently ensures compliance with legal and regulatory

requirements, prioritizing the best interests of the Company and its shareholders. By providing timely and transparent disclosure of all relevant information, Metropolis is committed to empowering its stakeholders take informed decisions.

The composition of the Board and its committees ensures diverse representation in key leadership roles and decision-making processes. The Board's expertise and knowledge span across a wide range of industries, including healthcare, financial services, information technology, manufacturing among others. The Board meets every quarter to assess performance and share insights.

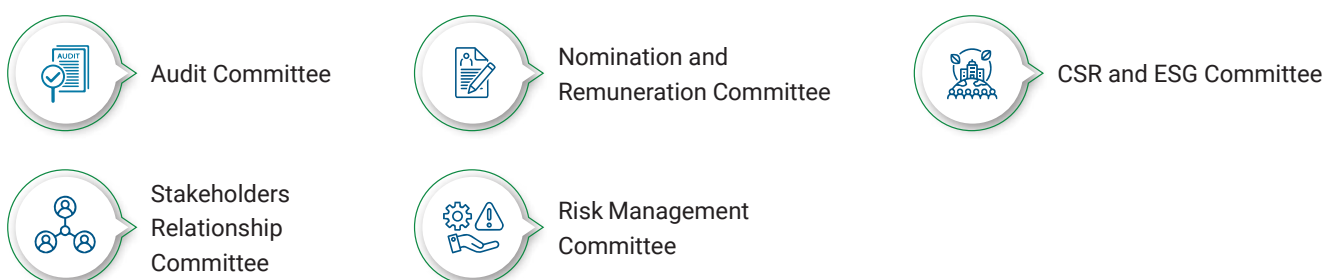
Board Composition and Independence

The Board of Directors offer strategic direction and independent oversight along with diverse perspectives to decision-making processes. The presence of four Independent Directors further emphasizes the Company's dedication to inclusive leadership. The inclusion of female directors on the Board enhances gender diversity and enriches its breadth of expertise and perspective.



Board Committees

To enhance the Board's effectiveness and concentrate on specific areas, the following Committees have been set up. These Committees oversee specialized operations and provide expert recommendations.



Ensuring Compliance and Effective Governance

Metropolis prioritizes compliance and governance as essential elements in sustaining stakeholder trust. An advanced compliance tracking and reporting system has been implemented to ensure adherence to regulations and promptly address any deviations.

Risk Management Framework

At Metropolis, risk management is a vital element of strategic operations. The Audit Committee and the Risk Management Committee are responsible for identifying, analyzing, and mitigating a range of risks, including those related to regulatory compliance, medical and legal issues, cybersecurity threats, and reliance on healthcare professionals. This thorough approach enables proactive handling of potential challenges, capitalizing on opportunities for sustainable growth.

Ethical Management

Metropolis maintains the highest standards of compliance and governance throughout all levels of the Company. To support this, a policy has been established to guide employees and stakeholders in their conduct, promoting transparency, fairness, and accountability, and reinforcing the Company's commitment to responsible corporate behavior.

Transparency and Responsible Decision-Making

At the heart of Metropolis' operations are the principles of transparency and responsible decision-making. These fundamental principles guide the Company's everyday operations and play a crucial role in fostering and maintaining robust relationships with all stakeholders.

Leadership Programs

Continuous learning for the senior management is greatly emphasized at Metropolis. Through tailored training programs, their knowledge and skills are enhanced, enabling them to effectively uphold and advance corporate governance standards.

Investor Engagement

Metropolis actively engages with its investors through various channels, including quarterly investor calls, meetings, stock exchange disclosures, and a comprehensive platform on the Company's website. Investors can access a wide range of information such as financial results, disclosures, announcements, Board and Committee compositions, and policies. We have also established a grievance redressal mechanism to address and resolve investor complaints.

Familiarization Program

Familiarization Programs provide an opportunity for independent directors to interact with the senior leadership team of the Company and help them understand the Company's strategy, business model, operations, service and product offerings, markets, organization structure, finance, human resources, technology, quality, facilities and risk management and such other areas. During Board and Committee Meetings, the Management apprises independent directors on various aspects of the Company's business model, strategies, operations, functions, new regulatory requirements, policies, and procedures.

Board Evaluation

Metropolis conducts annual evaluations on the performance of the Board, Committees of the Board, and individual Directors to ensure robust governance practices and continuous improvement. The performance evaluation is conducted through structured questionnaires that cover various aspects such as the Board composition and structure, effectiveness and contribution to Board processes, adequacy, appropriateness and timeliness of the information, and the overall functioning of the Board. A summarized report is prepared on the responses and presented to the Board. An action plan is rolled out based on the inputs, to enhance efficacy, transparency, accountability and strategic alignment across all governance levels. This proactive approach fosters a culture of excellence and reinforces the Company's commitment to maintaining high standards of corporate governance.

Information Security and Data Privacy

Metropolis strictly adheres to ISO 27001 for Information Security Management Systems (ISMS), ISO 27701 for Privacy Information Management Systems (PIMS), and the Data Protection and Digital Privacy Act (DPDPA) standards to ensure comprehensive data protection along with safeguarding patient privacy and electronic health records. The Company has implemented People, Process and Technology Controls for continuous monitoring and prevention of potential internal and external violations, including penetration attempts. These initiatives enable us to maintain high standards of information security and privacy management across all operations, ensuring the confidentiality, integrity, and availability of all data.

Key Governance Policies

Our policies are developed keeping in mind ethical decision-making and responsible business practices. They undergo approval by the Board of Directors and are subsequently communicated to relevant stakeholders. Regular awareness sessions are conducted to promote understanding and sensitivity among all parties involved.

Code of Business Conduct and Ethics

Sets out principles and values governing behavior for employees, directors, partners, suppliers, and any other third-party intermediaries.

Nomination and Remuneration Policy

Focuses on transparent board nominations, remuneration, and promoting diversity within the leadership team.

Board Diversity Policy

Recognises and embraces the benefits of having a diverse Board that possesses a balance of skills, experience, expertise and diversity of perspectives appropriate to the requirements of the business.

Whistleblower Policy

Provides a confidential platform for reporting unethical practices and ensures protection against retaliation.

Information Security and Data Privacy Policy

Protects information assets from all types of threats to ensure the brand is safeguarded, the confidentiality of information is maintained, the integrity of information is reliable, the availability of information is ensured, and all regulatory obligations are met.

Policy for Determination of Materiality of Events and Information

Ensures that the information disclosed by the Company is adequate, accurate, timely and transparent.

Human Rights Policy

Ensures that the work environment throughout its operations remains free from any form of discrimination.

Prevention of Sexual Harassment at Workplace Policy

Ensures a safe and respectful work environment, free from any form of sexual harassment.

CSR and ESG Policy

Demonstrates the company's commitment to integrating sustainability and governance into its core business strategy, fostering a positive impact on society and the environment while ensuring sustainable growth and success.

Risk Management Policy

Identifies, assesses, and mitigates risks that may impact the company's operations.

Related Party Transactions Policy

Governs transactions with related parties to prevent conflicts of interest and ensure transparency.

Code of Fair Disclosure of Unpublished Price Sensitive Information

Ensures timely and accurate communication of material information to stakeholders and regulators.

Dividend Distribution Policy

Sets criteria for the fair distribution of dividends to shareholders based on financial performance and other factors.

Corporate Information

Board of Directors

Dr. Sushil Shah

Chairman and Executive Director

Ms. Ameera Shah

Managing Director

Mr. Vivek Gambhir

Independent Director

Mr. Sanjay Bhatnagar

Independent Director

Mr. Subramanian Ranganathan

Independent Director

Ms. Anita Ramachandran

Independent Director

Mr. Hemant Sachdev

Non-Executive Non-Independent Director

Dr. Aparna Rajadhyaksha

Non-Executive Non-Independent Director

Key Managerial Personnel

Mr. Surendran Chemmenkotil

Chief Executive Officer

Mr. Rakesh Agarwal

Chief Financial Officer

Mr. Kamlesh Kulkarni

Head - Legal & Secretarial

Auditors

Statutory Auditors

BSR & Co. LLP

Chartered Accountants

Internal Auditors

Suresh Surana & Associates LLP, Chartered

Accountants

Secretarial Auditors

M/s. Manish Ghia & Associates, Company

Secretaries

Cost Auditors

M/s. Joshi Apte & Associates, Cost

Accountants

Registered Office Address

Metropolis Healthcare Limited

CIN: L73100MH2000PLC192798

4th Floor, East Wing, Plot-254 B, Nirlon House,

Dr. Annie Besant Road, Worli, Mumbai - 400

030, Maharashtra

Tel. No.: +91 8422 801 801

Email: secretarial@metropolisindia.com

Website: www.metropolisindia.com

Registrar and Share Transfer Agent

Link Intime India Private Limited

C-101, 1st Floor, 247 Park, LBS Marg,

Vikhroli West, Mumbai-400 083,

Maharashtra, India

Tel. No.: +91- 8108 118 767

Fax No.: +91-022-49186060

Website: www.linkintime.co.in

Bankers

HDFC Bank Limited

ICICI Bank Limited

Canara Bank

Bank of India

Standard Chartered Bank

Management Discussion and Analysis

Global Economy

The global economy showed unexpected resilience in 2023. It rebounded from the lingering effects of the COVID-19 pandemic, geopolitical tensions such as the Israel-Hamas war, the Red Sea Crisis, and the persistent cost-of-living challenges. Even the major developed economies showed resilience due to robust labor markets, while inflation gradually declined due to lower energy and food prices. This positive trend can be attributed to favorable developments on the supply side and proactive measures implemented by central banks to stabilize inflation expectations.

The global GDP growth is projected to remain stable at 3.1% in CY 2024 and increase slightly to 3.2% in 2025. The real GDP of the Asia-Pacific region is forecast to pick up from 3.2% last year to 4.1% in 2023 and 4.6% in 2024, accounting for about 60% of global growth. This is an outcome of the solid growth in mainland China and India. It can also be attributed to stronger-than-expected performances in the US and economies of several major emerging markets, along with ongoing fiscal stimulus in China. However, these projections fall below the historical average of 3.8% (2000-2019), primarily due to factors such as elevated central bank rates, reduced fiscal support amid high debt burdens, and sluggish underlying productivity growth. Inflationary pressures are easing across regions, driven by the resolution of supply-side constraints and tighter monetary policies. The global headline inflation is projected to decrease from 6.8% in CY 2023 to 5.8% in CY 2024 and further to 4.4% in CY 2025.

World Economic Outlook Growth Projections ¹

Growth Projections (in %)			
	CY 2023	CY 2024	CY 2025
Global Economy	3.1	3.1	3.2
Advanced Economies	1.6	1.5	1.8
Emerging Markets and Developing Economies	4.1	4.1	4.2

Indian Economy

The Indian economy has shown resilience and consistent growth over the past few years, with a projected GDP growth rate of 7.2% in FY 2023-24. This marks the third consecutive year of over 7% growth. This growth is expected to be driven by private consumption and investment. Government policies to improve transport infrastructure, logistics, and the business ecosystem are some of the contributing factors for this trend. The growth was also driven by the manufacturing, mining, and quarrying, as well as financial services, real estate, and professional services sectors. The

¹(Source: World Economic Outlook, International Monetary Fund (IMF), January 2024)

manufacturing sector is anticipated to grow by 6.5% in the current fiscal, up from 1.3% in the previous year. The mining sector is projected to grow by 8.1% in the current fiscal, compared to 4.1% in the previous year.

The Indian economy is expected to reach USD 7.3 trillion by CY 2030, making it the world's third-largest economy, surpassing Japan. This is an outcome of key growth drivers such as rising capital expenditure and investment ratios. The government is committed to fiscal discipline, with a fiscal deficit target of 5.1% in CY 2025 and strategic plans to reduce it to 4.5% by CY 2026.

Indian Economy GDP Growth Rate (in %)

Year	GDP Growth Rate
FY 2019-20	4.2
FY 2020-21	(6.6)
FY 2021-22	8.7
FY 2022-23	7.2
FY 2023-24	7.2

Outlook

India's growth outlook remains optimistic and promising, with ambitious targets set to propel the nation towards economic milestones. India is poised to become a USD 5 trillion economy within the next three years, and reach USD 7 trillion by FY 2029-30. This can be attributed to the stability and robustness of domestic demand, along with the expansion of private consumption and investments, underpinned by ongoing structural reforms. With a firm commitment to transformation, India is not only focusing on economic growth but also aiming to transition into a developed country by FY 2046-47. These ambitious goals, coupled with sustained efforts to enhance competitiveness and foster innovation, are likely to enable India to become a global economic powerhouse and pave the way for continued growth and prosperity.²

Indian Healthcare Industry

As one of the key segments, healthcare contributes substantially to both revenue generation and employment opportunities in India. Some factors driving this market include the growing incidence of lifestyle diseases, rising demand for affordable healthcare delivery systems, technological advancements, the emergence of telemedicine, rapid penetration of health insurance, and government initiatives like e-health along with tax benefits and incentives.

²(Source: <https://www.crisil.com/en/home/events/india-outlook.html>, <https://ddnews.gov.in/en/india-set-to-be-worlds-third-largest-economy-by-2030-sp-global/>, <https://www.businesstoday.in/latest/economy/story/third-largest-economy-target-within-reach-for-india-422086-2024-03-19>)

Management Discussion and Analysis (Contd.)

India's public budgeted expenditure on healthcare touched 2.1% and 2.2% of GDP in FY 2022-23 and FY 2021-22, against 1.6% in FY 2020-21, as per the Economic Survey FY 2022-23. The share of expenditure on health with respect to the total expenditure on social services, has increased from 21% in FY 2018-19 to 26% in FY 2022-23 Budget Estimate (BE). The Union Health Ministry's allocation of INR 90,658.63 crores in the interim Budget for FY 2024-25 reflects a 12.59% increase. The government spending on healthcare at 2.1% of GDP represents a significant allocation of resources towards healthcare development and infrastructure enhancement.

Healthcare sector urges the government to boost public health spending above 2.5% GDP in Budget FY2023-24 for better infrastructure and access. This reflects the increasing emphasis on healthcare as an outcome of COVID-19. The pandemic also raised consumer health awareness and increased their willingness to spend on healthcare. The government has also aggressively expanded Ayushman Bharat coverage, giving more Indian citizens access to healthcare.

Indian Diagnostic Industry

Diagnostics form a very essential part of the healthcare industry. It is the first step towards treating diseases, starting from detection and prognosis to determining the treatment regime and post-treatment monitoring. The Indian diagnostic services market was valued at USD 14.57Bn in FY 2021-22 and USD 16.23Bn in FY 2022-23. It is forecasted to reach USD 43.57Bn by FY 2031-32 (as per a report published by Polaris Market Research in March 2023). As per SPER market research, the Indian diagnostic lab market is expected to reach USD 44.92Bn by FY 2031-32. This growth can be attributed to an increase in healthcare spending by the aging population, rising income levels, increasing awareness for preventive testing, advanced healthcare diagnostic test offerings, market penetration of healthcare insurance, and conducive policies by the central government.

Diagnostic services are classified into pathology testing and imaging. While pathology testing accounts for approximately 60% of the market share, imaging tests occupy the remaining share. The radiology market is growing rapidly due to the increasing demand for imaging services. The pathology testing services market is also expanding due to the growing number of people undergoing preventive health check-ups. Overall, the diagnostic services industry in India is poised for continued growth in the coming years.

Routine test revenues (~55% of total revenues) in metro and urban areas face competition from e-pharmacies and hospital chain labs. Diagnostic players are entering into untapped Tier 2/3/4 cities to expand their customer base and drive volumes. The expansion of collection centers in these regions is expected to optimize the utilization of existing test labs.

Additionally, post-pandemic health awareness has fueled the demand for preventive health checkups. This has further prompted diagnostic companies to offer curated wellness packages tailored to various demographics, resulting in higher spending per patient. The share of this segment is expected to increase to ~22-23% in FY 2024-25 from ~18-20% in FY 2023-24.³

Emerging Trends in Diagnostic Industry

Embracing Technology

The diagnostics industry is experiencing a significant evolution due to technological innovations and an increasing focus on personalized healthcare. AI will continue to revolutionize the diagnostics industry by enhancing accuracy and efficiency.

Digital Health Platforms for Diagnostics

The integration of digital health platforms is poised to change the access to and utilization of diagnostic information. In 2024, the emergence of comprehensive digital ecosystems is expected to streamline diagnostic processes. These platforms will facilitate improved communication among healthcare professionals, laboratories, and patients, fostering a more connected and efficient healthcare system.

Rise in Point-of-Care Testing

The surge in demand for rapid diagnostics is driving the widespread adoption of point-of-care testing (POCT). Portable devices and at-home testing kits are becoming increasingly popular, offering swift and convenient access to essential diagnostic data. POCT is not restricted to traditional uses like glucose monitoring and pregnancy testing anymore. Their range has expanded to detection of infectious diseases, cholesterol levels, and cardiac indicators as well.

Increasing Patient Awareness

Consumers are increasingly becoming aware of the need for early detection and treatment of diseases. From being passive recipients in healthcare, they are now actively seeking comprehensive diagnostic evaluation.

Consolidation Trends in the Diagnostics Industry

Large diagnostic chains are witnessing rapid growth, outpacing the overall expansion of the industry. This is

³(Source: <https://www.crisilratings.com/en/home/newsroom/press-releases/2024/04/diagnostics-revenue-to-rise-10-11percent-this-fiscal-on-expanding-reach.html>)

(Source: <https://www.medicalbuyer.co.in/growing-at-14-cagr-indian-diagnostics-industry-to-hit-usd-25b/>, <https://www.deccanherald.com/business/union-budget/health-ministry-allocated-over-rs-90658-crore-in-interim-budget-2875248The-Interim-Budget-2024-25>)

Management Discussion and Analysis (Contd.)

primarily driven by the augmentation of their market share and integration with standalone laboratories. The industry is currently in a consolidation phase, characterized by major multi-regional players such as Dr. Lal's Path Labs and Metropolis Healthcare acquiring numerous standalone labs and regional chains.⁴

Major Growth Drivers

Aging Population: India is experiencing a demographic shift, with a significant increase in its elderly population. The proportion of individuals over 60 years, which was just 7% in FY 2000-01, is projected to rise to 12% by FY 2025-26. This change is due to improved healthcare infrastructure and advancements in medical care, leading to higher life expectancy. As the population ages, there is an increased risk of chronic diseases and conditions such as cardiovascular issues, diabetes, cancer, and neurodegenerative disorders. The growing prevalence of these health issues is driving the demand for regular health screenings and specialized diagnostic services, further propelling the growth of the diagnostics industry.

Government Policies: The government, through the National Health Mission, has introduced several initiatives and policies, including the Free Diagnostics Service Initiative for individuals below the poverty line, to enhance healthcare access and infrastructure while promoting preventive care through diagnostic services. Furthermore, there have been efforts to develop public-private partnerships (PPPs) in the diagnostics sector, utilizing the combined expertise and resources of both sectors. These collaborations have led to improvements in infrastructure, technology, and service delivery, resulting in better access to diagnostic services nationwide and further stimulating industry growth.

Rising Income Levels: The rise in disposable income played a pivotal role in expanding access to healthcare services. With more disposable income, individuals and families are able to afford medical expenses, including consultations, treatments, medications, and preventive methodologies. This encourages people to seek timely healthcare interventions, leading to better health outcomes and improved overall well-being.

Increasing Health Awareness: Indians are becoming more conscious of their health, particularly the importance of preventive care such as timely diagnosis. Early detection and regular health screenings have been instrumental in fueling the demand for diagnostic services.

Increased Penetration of Health Insurance: Health insurance provides financial protection against healthcare expenses, including diagnostic tests. With individuals less reliant on

out-of-pocket payments, the affordability of diagnostic services has improved. This has encouraged more people to undergo regular health check-ups, preventive screenings, and specialized diagnostic tests, thereby driving the demand for diagnostic services.

Growth Opportunity in Non-Metro Regions: About 30-35% of testing happens in the Indian metro cities. With a majority of Tier 2 and Tier 3 still lying untapped, the diagnostics industry is actively expanding its footprint to provide high-quality services in these regions. This becomes important to ensure a more inclusive and equitable healthcare system, further fuelling the growth of the diagnostics market.

NCDs Boosting Demand for Diagnostic Services: India is witnessing a notable shift in disease patterns, with a rising prevalence of non-communicable diseases (NCDs) such as cardiovascular diseases, diabetes, cancer, and respiratory disorders. This increase is attributed to factors such as an aging population and a more sedentary lifestyle. Consequently, there is a growing need for early detection and effective management of these conditions, which is driving the growth of the diagnostics industry.⁵

Threats to the Indian Diagnostics Industry

Workforce Shortage: The diagnostics industry faces a significant challenge due to a shortage of skilled labor, particularly in recruiting and retaining full-time doctors and staff. This issue underscores the need for effective training and retention strategies for experienced employees. Additionally, accredited labs are required to employ full-time lab technicians, phlebotomists, and radiologists, which further exacerbates the challenge.

High Equipment Costs: High equipment costs present another challenge for diagnostic centers. Continuous technological upgrades are necessary to maintain competitiveness and ensure accurate results, but these upgrades require substantial capital investment. Additionally, ongoing maintenance costs and the need for trained technicians contribute to increased overall expenses. Advanced radiology and molecular diagnostics, in particular, are highly capital-intensive due to the requirement for sophisticated equipment.

Supply Chain Vulnerabilities: India's heavy reliance on imported diagnostic reagents and equipment creates significant supply chain vulnerabilities. To mitigate these risks, promoting local manufacturing can reduce dependencies on foreign suppliers and enhance the resilience of the healthcare sector. By developing a robust domestic production infrastructure, India can ensure a more stable

⁴(Source: <https://operonstrategist.com/trends-and-innovations-in-the-diagnostics-sector/>)

⁵(Source: <https://health.economicstimes.indiatimes.com/news/diagnostics/evolution-of-the-diagnostics-industry-new-trends-models-transforming-healthcare-industry/106317390>)

Management Discussion and Analysis (Contd.)

and reliable supply of essential diagnostic materials, improve self-sufficiency, and support economic growth within the country. Encouraging local innovation and investment in this area will also foster advancements in technology and quality, ultimately leading to better healthcare outcomes.

Company Overview

Metropolis Healthcare Limited (referred to as 'Metropolis' or 'the Company') stands as a premier pathology specialist with a widespread presence across India. Renowned for its superior diagnostic services, the Company serves both the B2B and B2C markets. Metropolis Healthcare caters to individual patients, hospitals, healthcare providers, and businesses, and has a loyal customer base indicating its brand strength. Operating in more than 22+ states nationwide, Metropolis Healthcare continually achieves milestones, impacting countless lives with actionable health insights.

With its wide array of over 4,000 clinical tests and profiles, including advanced diagnostics for cancer, neurological disorders, infectious diseases, and genetic abnormalities, Metropolis Healthcare upholds a commitment to quality. This is reflected in its consistent CAP proficiency score of over 98% for the past decade. Embracing technological innovation and a patient-centric approach, Metropolis Healthcare has expanded into the premium wellness segment, augmenting technology and automation across the value chain. Through initiatives like the Metropolis Innovation Cell, focusing on Molecular Genomics, Superspeciality Pathology, and Companion Diagnostics, Metropolis Healthcare aims to advance oncology, prenatal testing, transplant immunology, and disease management through Next Generation Sequencing and AI.

During FY 2023-24, Metropolis witnessed a healthy patient volume growth accompanied by a remarkable expansion in the B2C segment within Mumbai. Metropolis Healthcare is committed to expanding its presence in the premium

wellness sector. The Company has actively positioned itself as a frontrunner in delivering high-quality wellness solutions. This dedication is evident through strategic expansion efforts, as Metropolis Healthcare broadened its geographical coverage to more than 600+ towns, with a particular emphasis on Tier 2 and Tier 3 cities across India. This underscores the Company's proactive efforts to broaden the reach and enhance the accessibility of diagnostic services. Metropolis Healthcare undertook efforts to establish a presence in the premium wellness segment, with a focus on enhancing technology, IT, and automation across the Company's value chain.

Furthermore, Metropolis Healthcare solidified its position as an innovator in the diagnostics field through a strategic partnership with a renowned provider of AI solutions for pathology labs. Through this collaboration, the Company will incorporate AI into pathology workflows. This integration aims to streamline cancer diagnosis, enhance quality control, reduce diagnosis times, and boost overall productivity in the diagnostics sector.

The Company is energized by the incorporation of key strategic pillars, unified under the banner of 'The Year of More,' which complements the Metropolis 3.0 strategy. These pillars epitomize Metropolis Healthcare's commitment to various critical aspects vital for its continuous growth and success. From prioritizing the expansion and fortification of its network to harnessing digital technology to enhance patient experiences and operational efficiency, each pillar plays a pivotal role in the Company's trajectory. Moreover, the Company remains steadfast in its focus on science and innovation, international expansion, delivering exceptional customer experiences, fostering employee growth, optimizing costs, and enhancing operational efficiency. This underscores its dedication to providing superior healthcare solutions and positively impacting the lives of millions in India and around the world.

PERFORMANCE OVERVIEW

Business Performance

	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
Revenue Per Patient (in INR)	1,016	914	944	1,006
Revenue Per Test (in INR)	524	479	453	497
Laboratory Network	125	171	175	199
Service Network	2,555	3,064	3,675	4,150

FINANCIAL PERFORMANCE (in Crs)

	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
Revenue from Operations	998	1,228	1,148	1190
EBITDA	288	349	293	285
Profit after Tax	183	215	143	128

Management Discussion and Analysis (Contd.)

Details of Key Ratios

Key Financial Ratios	FY 2022-23	FY 2023-24	Variance (in %)
Debtors' Turnover	8.00	8.61	7.62
Inventory Turnover	24.15	29.36	21.57
Interest Coverage Ratio	8.59	8.03	(6.51)
Current Ratio	1.05	1.21	15.24
Debt-Equity Ratio	0.09	NA	NA
Operating Profit Margin (%)	19.26	16.26	(15.59)
Net Profit Margin (%)	13.03	10.60	(18.65)
Return on Net Worth Ratio* (%)	15.79	11.80	(25.2)

*Return on Net Worth is lower for the year ended March 31, 2023, due to higher infrastructure expenditure and digital marketing.

RISK MANAGEMENT

Metropolis has a structured and disciplined approach to Risk Management, to guide decisions on risk-related issues. The main objective is to ensure sustainable business growth with stability and to promote a proactive approach in evaluating, and resolving risks associated with the business.

Risks	Impact	Mitigation
Competition Risk	Intense competition from emerging players, including large conglomerates, hospital chains, pharmaceutical companies, health tech platforms, and startups, poses challenges for the Company. This has the potential to dampen growth prospects, exert pressure on pricing, and strain margin and return ratios.	To address this risk, the Company prioritizes redefining cost base to alleviate some of the pressure on returns. It maintains a strong focus on expanding the laboratory and customer touchpoint network extensively. It is noteworthy that Metropolis Healthcare core segment, acute illness, faces comparatively lower risk from competition compared to others.
Technological Risk	Operating within a highly technology-driven market, the Company faces the risk of technological advancements potentially leading to decreased demand for its products and services.	To address this risk, the Company concentrates on providing tests that are more accurate and cost-effective compared to market alternatives. Additionally, it leverages comprehensive analysis to enhance patient and physician understanding of criteria in a detailed and transparent manner.
Regulatory Risk	The Company could encounter price-capping, potentially impacting its earnings and creating margin pressures.	The Company mitigates the risk of price-capping through its diverse testing portfolio. Furthermore, the impact of such regulations is minimal due to the Company's technological advancements and unique business strategy.
IT Disruption and System Failure Risk	Operating in a highly time-sensitive industry, any malfunctioning of the Company's IT systems could severely affect the ability to serve customers and patients. This could lead to a breach of personal data, potentially tarnishing the Company's reputation in the sector.	The Company effectively mitigates this risk through its robust security program, ensuring prevention and early detection of cyber assaults. This proactive approach enables the Company to formulate timely responses and neutralize potential threats. Additionally, stringent processes and regulations are implemented to prevent the theft of sensitive patient information. Moreover, an audit framework is in place to continually assess risk exposure and readiness for risk mitigation.
Talent Retention and Success Planning Risk	The Company's success depends on its ability to retain talent and develop a succession plan for its employees.	To mitigate this risk, the Company focuses on retaining staff at critical positions. In addition, the leadership team has developed various metrics for internal as well as external hires for succession planning.
Business Continuity of Global Reference Laboratory (GRL) and Regional Reference Laboratory (RRL) Operations	<ul style="list-style-type: none"> System-related Natural/man-made disasters Transporting of samples Loss of skilled manpower Critical vendors stop supplying raw materials Breakdown of critical instruments 	Robust Business Continuity Planning (BCP) and Disaster Recovery (DR) plans are established for GRL and RRL to address emergencies, whether system-related or due to natural disasters. Backup arrangements for personnel, instruments, and vendors are in place to handle any situation that arises, minimizing downtime.

Management Discussion and Analysis (Contd.)

Risks	Impact	Mitigation
Revenue Risk	The Company may face the risk of revenue against the normal revenue growth trajectory and consequential impact on the bottom line.	The Company mitigates this risk through its comprehensive strategy program. This program covers all aspects in terms of process, reviews, scorecards, pricing standardisation and cost control measures.

IT and DIGITAL INFRASTRUCTURE

Metropolis is committed to advancing its technology infrastructure to enhance operational efficiency and customer experiences. The Company has integrated advanced systems, including Customer Relationship Management (CRM) tools, a Customer Data Platform (CDP), and a low-code development environment, to optimize sales, service, and marketing processes.

Key innovations in our digital strategy include Metrobot, an AI-powered chatbot that improves doctor communication via a WhatsApp-based platform, and Rx WhatsApp and B2B Helpdesk. Rx WhatsApp streamlines prescription processing, while the B2B Helpdesk offers real-time support to partners, centralizing query resolution and enhancing satisfaction.

Data protection remains a top priority. In FY 2023-24, Metropolis achieved ISO 27001 and 27701 certifications, underscoring our commitment to information security and the protection of patient privacy. These certifications ensure secure handling of electronic health records and reinforce our dedication to maintaining trust and confidentiality. Additionally, Metropolis leverages AI to drive efficiency, support data-driven strategies, and optimize marketing and sales efforts, all aimed at streamlining operations and fostering sustainable growth.

HUMAN RESOURCE MANAGEMENT

Metropolis Healthcare is an equal-opportunity employer with a workforce of 5,500 employees. The Company fosters a positive work environment for all its employees. It offers ample opportunities for personal growth, learning, and advancement. Metropolis Healthcare recognizes that the expertise of its highly skilled workforce gives the Company a competitive edge. To this end, Metropolis Healthcare provides various learning and development initiatives aimed at enhancing professional skills and leadership capabilities, thus facilitating clear career progression paths. Leveraging automation in HR has notably enhanced the employee experience, resulting in heightened productivity. Guided by the visionary leadership of its senior executives, Metropolis Healthcare is committed to investing in its employees' talents to achieve business objectives and drive expansion.

INTERNAL CONTROL SYSTEM

Metropolis Healthcare has implemented an effective internal control system, encompassing all financial and operational functions, with documented policies and procedures. These system controls are crafted to offer reasonable assurance in maintaining accurate accounting records, ensuring reliable financial reporting, monitoring operations, safeguarding assets against unauthorized use or losses, and ensuring compliance with regulations.

The audit scope and coverage encompass several key areas, including:

- Reviewing and reporting on key process risks
- Ensuring adherence to operating guidelines and statutory compliances
- Recommending improvements to monitor and enhance operational efficiency
- Ensuring the reliability of financial and operational information

The Audit Committee regularly monitors and reviews significant internal audit observations. Additionally, it evaluates compliance with accounting standards, risk management practices, and control systems.

CAUTIONARY STATEMENT

Statements in this Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations, or predictions may be 'forward-looking' within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include global and Indian demand and supply conditions, finished goods prices, input materials availability and prices, cyclical demand and pricing in the Company's principal markets, changes in Government regulations, tax regimes, economic developments within India and the countries within which the Company conducts business and other factors such as litigation and labor negotiations. The Company assumes no responsibility to publicly amend, modify or revise any 'forward-looking' statements, based on any subsequent development, information, or events or otherwise.

Business Responsibility & Sustainability Report

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1. **Corporate Identity Number (CIN) of the listed entity:** L73100MH2000PLC192798
2. **Name of the listed entity:** Metropolis Healthcare Limited
3. **Year of incorporation:** 2000
4. **Registered office address:** Metropolis Healthcare Limited, 4th Floor, East Wing, Plot - 254 B, Nirlon House, Dr. Annie Besant Road, Worli, Mumbai – 400 030.
5. **Corporate address:** 4th Floor, Commercial Building 1A, Kohinoor Mall, Vidyavihar (West), Mumbai - 400070, Maharashtra, India.
6. **E-mail:** secretarial@metropolisindia.com
7. **Telephone:** +91 8422 801 801
8. **Website:** www.metropolisindia.com
9. **Financial year for which reporting is being done:** Financial year 2023-24
10. **Name of the Stock Exchange(s) where shares are listed:** National Stock Exchange of India Limited and BSE Limited.
11. **Paid-up capital:** INR 10,24,53,722 divided into 5,12,26,861 equity shares of face value of INR 2/- each
12. **Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report:**
Mr. Rakesh Agarwal, Chief Financial Officer
Email ID: secretarial@metropolisindia.com; Telephone: +91 8422 801 801
13. **Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together):** Standalone Basis.
14. **Name of assurance provider:** Not Applicable
15. **Type of assurance provider:** Not Applicable

II. Products/services

16. Details of business activities (accounting for 90% of the turnover):

Sr. no.	Description of main activity	Description of business activity	% of turnover of the entity
1.	Human health and social work activities	Diagnostic testing service provider and clinical trials research services	99.25%

17. Products/services sold by the entity (accounting for 90% of the entity's turnover):

Sr. no.	Product/service	NIC code	% of total turnover contributed
1.	Diagnostic services in the area of pathology	86905	99.25%

III. Operations

18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	This is not applicable to Metropolis, as the Company offers diagnostic services in the area of pathology.	199	199
International		24	24

Business Responsibility & Sustainability Report (Contd.)

19. Markets served by the entity:
a. Number of locations

Locations	Number
National (No. of states)	22 States and 3 Union Territories
International (No. of countries)	15*

***International markets served:** Metropolis has its offices and laboratories in Kenya, Zambia, Ghana, Tanzania and Uganda. Besides, the Company receives samples from Dubai, Mauritius, Sri Lanka, Nepal, Bangladesh, Vietnam, Congo, Abu Dhabi, Zimbabwe and Maldives.

b. What is the contribution of exports as a percentage of the total turnover of the entity?

Not Applicable.

c. A brief on types of customers

The Company's customers include B2B and B2C customers, hospital lab management, corporate clients, and government clients.

IV. Employees
20. Details as at the end of financial year:
a. Employees and workers (including differently abled):

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
Employees						
1.	Permanent (D)	2,336	1,616	69.18%	720	30.82%
2.	Other than permanent (E)	279	130	46.59%	149	53.41%
3.	Total employees (D + E)	2,615	1,746	66.77%	869	33.23%
Workers						
4.	Permanent (F)	1,977	888	44.92%	1,089	55.08%
5.	Other than permanent (G)	148	91	61.49%	57	38.51%
6.	Total workers (F + G)	2,125	979	46.07%	1,146	53.93%

Note: Metropolis has categorized its employees into two groups – ESIC and non-ESIC, with the ESIC category further designated as workers.

b) Differently abled employees and workers:

S. no	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
Differently abled employees						
1.	Permanent (D)	2	2	100%	0	0.0%
2.	Other than permanent (E)	0	0	0.0%	0	0.0%
3.	Total differently abled employees (D + E)	2	2	100%	0	0.0%
Differently abled workers						
4.	Permanent (F)	0	0	0	0	0
5.	Other than permanent (G)	0	0	0	0	0
6.	Total differently abled workers (F + G)	0	0	0	0	0

Business Responsibility & Sustainability Report (Contd.)

21. Participation/inclusion/representation of women

Particulars	Total (A)	No. and percentage of females	
		No. (B)	% (B/A)
Board of Directors	7	2	28.57%
Key Management Personnel	5	1	20.00%

22. Turnover rate for permanent employees and workers (Disclose trends for the past 3 years)

	FY 2023-24			FY 2022-23			FY 2021-22		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent employees	15%	15%	15%	17%	9%	14%	28%	22%	26%
Permanent workers	36%	28%	32%	13%	13%	13%	24%	22%	23%

V. Holding, subsidiary and associate companies (including joint ventures)

23. (a). Names of holding/subsidiary/associate companies/joint ventures

Sr. No.	Name of the holding/subsidiary/associate companies/joint ventures	Indicate whether holding/subsidiary/associate/joint venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Amin's Pathology Laboratory Private Limited	Subsidiary	100%	No
2	Ekopath Metropolis Lab Services Private Limited	Subsidiary	60%	No
3	Centralab Healthcare Services Private Limited	Subsidiary	100%	No
4	Metropolis Histoexpert Digital Services Private Limited	Subsidiary	100%	No
5	Metropolis Healthcare (Mauritius) Limited	Subsidiary	100%	No
6	Metropolis Star Lab Kenya Limited	Subsidiary	100%	No
7	Metropolis Healthcare Ghana Limited	Subsidiary	100%	No
8	Metropolis Healthcare Lanka Private Limited	Subsidiary	100%	No
9	Metropolis Healthcare (Tanzania) Limited	Subsidiary	99.99%	No
10	Metropolis Healthcare Uganda Limited	Subsidiary	100%	No
11	Metropolis Healthcare (Zambia) Limited	Subsidiary	100%	No
12	Metropolis Bramser Lab Services (Mtius) Limited	Subsidiary	100%	No

VI. CSR details

24. Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No) - Yes

(ii) Turnover (in INR.) - **1103.42 Crores***(iii) Net worth (in INR.) - **1031.18 Crores***

(*) For FY 2023-24.

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VII. Transparency and disclosures compliances

25. Complaints/grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance redressal mechanism in place (Yes/No) (If yes, then provide web-link for grievance redress policy)	FY 2023-24			FY 2022-23		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	No	Metropolis received no complaints or grievances from any specific community.					
Investors (other than shareholders)	Yes. Investors can reach out to the officials mentioned in the following link: https://www.metropolisindia.com/investors	0	0	NA	1	0	NA
Shareholders	Yes. Shareholders with any grievances can contact the Company Secretary via email at secretarial@metropolisindia.com and investor.relations@metropolisindia.com or may call at +91 8422 801 801	1	0	NA	1	0	NA
Employees and workers	Yes. The Company does have an Internal Grievance Redressal Policy in place. Employees are encouraged to lodge their complaints via the Zing HR portal at: https://portal.zinghr.com/2015/Pages/Common/NewUx.aspx?open=helpdesk	20	0		16	0	
Customers	Yes. The Company does have a Grievance Redressal Mechanism in place, as outlined below: 1. Dedicated Channels: The Company has dedicated channels for addressing customer grievances. 2. Complaint Registration: Customers can register complaints through the Company's website (www.metropolisindia.com), a dedicated email address (support@metropolisindia.com), a call center, and patient service centers. 3. Social media: The Company also addresses customer concerns received through its official social media accounts. 4. Complaint Handling: All complaints are logged in the Service CRM, resolved, and communicated to customers. Documentation of Root Cause Analysis (RCA) and Corrective and Preventive Action (CAPA) is also managed within the CRM application.	40,543	0	Metropolis encourages all touchpoints to report and identify issues. The increased count reflects improved communication channels and a more responsive approach to addressing issues and concerns.	16,181	0	All complaints have been resolved.
Value chain partners	No	No complaints or grievances were received from the value chain partners.					

Business Responsibility & Sustainability Report (Contd.)

Stakeholder group from whom complaint is received	Grievance redressal mechanism in place (Yes/No) (If yes, then provide web-link for grievance redress policy)	FY 2023-24			FY 2022-23		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Other (please specify)	-	-	-	-	-	-	-

26. Overview of the entity's material responsible business conduct issues. Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along with its financial implications, as per the following format:

S. no.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Energy management	Opportunity	Energy-intensive operations	NA	Positive impact: It leads to reductions in emissions and costs.
2	Waste management	Risk	Biomedical waste is generated due to the nature of the business.	The disposal process is managed by a government-authorized partner. Waste is separated into various coloured bags with barcodes. Before transferring it to an authorized vendor, the waste is weighed, and all safety protocols are observed from the point of generation until it is handed over to the authority.	Negative impact: Improper disposal could lead to the spread of diseases and jeopardize the Company's social license to operate.
3	Employee health & safety	Risk	When safety measures are insufficient, employees are more likely to experience injuries or health issues, resulting in increased sick leave and decreased overall work efficiency. Additionally, a lack of focus on safety can lower employee morale and trust in the organization, further impacting productivity and overall workplace satisfaction. Therefore, prioritizing health and safety is essential for maintaining a productive and motivated workforce.	Well-being, safety, and health have always been our top priorities. We have designed and planned our labs and related infrastructure in a manner that ensures safety levels as per prescribed standards and norms. We have segregated our office and lab areas and ensure that we undertake periodic fire and electricity safety checks. We have formulated policies and guidelines to assess and mitigate various hazards and risks. The associated risk assessment procedures are mentioned in the safety manual. We also conduct regular safety audits through the Quality Assurance department to ensure compliance.	Negative impact: Revenue loss, recruitment difficulties, and operational challenges.

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S. no.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
4	Diversity, equity and inclusion	Opportunity	Good governance practices	NA	Positive impact: Enhanced market goodwill, a motivated workforce, and a positive working environment.
5	Patient privacy and electronic health records	Risk	Patient and customer satisfaction	Metropolis has implemented system level controls for continuous monitoring and prevention of any potential internal and external violations and penetration attempts. We are also following the best practices, Digital Personal Data Protection Act (DPDPA), and ISO 27701, Privacy Information Management System (PIMS) standard for safeguarding patient privacy and securing patients' electronic health records.	Negative impact: Loss of brand reputation and credibility, leading to potential declines in the Company's revenues and growth.

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes								
b. Has the policy been approved by the Board? (Yes/No)	Yes								
c. Web link of the policies, if available	https://www.metropolisindia.com/newdata/Investors/code-of-conduct/MHL-Business-Responsibility-policy.pdf								
2. Whether the entity has translated the policy into procedures. (Yes/No)	Yes								
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	No								
4. Name of the national and international codes/certifications/labels/standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	<p>CAP Accreditation: The Global Reference Laboratory in Mumbai is accredited by the College of American Pathologists (CAP).</p> <p>NABL Accreditation: 28 labs are accredited under ISO-15189 by the National Accreditation Board for Testing and Calibration Laboratories (NABL), recognized by ILAC and APLAC.</p> <p>ISO 27001 Certification: This standard ensures the security of financial information, intellectual property, employee details, and third-party data through an Information Security Management System (ISMS).</p> <p>ISO 27701 Certification: Extends ISO 27001 to form a Privacy Information Management System (PIMS) for managing personal data and ensuring privacy compliance with global regulations.</p>								

Business Responsibility & Sustainability Report (Contd.)

Disclosure questions	P1	P2	P3	P4	P5	P6	P7	P8	P9												
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	<p>As a responsible organization, the Company is committed to the NGRBC principles and focuses on energy conservation, water and waste management, diversity, women's leadership, and accountable governance. We have set specific targets for the ten key materiality topics and will report progress regularly.</p> <p>Our goals include achieving carbon neutrality by 2043, reducing emissions intensity by 45% by 2030, and reaching zero waste in offices by 2030 while cutting plastic usage by 50%. We aim to reduce water intensity by 30% by 2030 and achieve water neutrality by 2043. In quality of care, we will resolve 100% of service complaints registered in our CRM year-on-year and maintain an NPS of 90% by 2028.</p> <p>We are committed to 100% OHS and ISO 15189 training for all employees and aim for a 50:50 gender balance in our workforce by 2028. We also plan to positively impact 600,000 beneficiaries by 2043 and maintain zero data breaches year-on-year, upholding ISO 27001 and 27701 certifications.</p> <p>Our risk management involves annual risk assessments and mitigation plans to ensure ongoing resilience and compliance.</p>																				
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	<p>The Company has made significant progress during the financial year 2023-24, in meeting its commitments. We achieved a 30% reduction in energy emissions through scheduled HVAC Operations, LED Lights implementation, and through consuming 30% of our power from renewable sources.</p> <p>In quality of care, we reached an NPS of 87, reduced detractors from 4% to 3%, and collected over 30,000 NPS responses monthly. Our phlebotomist rating was 4.7/5, with over 50,000 monthly CRM interactions.</p> <p>Our gender diversity ratio is 43% female to 57% male, with 36% of our training goals met. The Company successfully accomplished ISO 27001 and 27701 certifications, affirming our commitment to information security and privacy management. While we've met many targets, ongoing efforts are needed to address unmet goals and sustain progress.</p>																				
Governance, leadership and oversight																					
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)	<p>Over time, Metropolis has prioritized sustainability, consistently adopting cutting-edge technologies, processes, and policies to meet evolving sustainability requirements. The Company prioritizes optimizing its operations for quality and scale while minimizing resource consumption and environmental impact.</p> <p>The Company's commitment extends to community engagement through impactful camps and workshops on healthcare topics across diverse sections of society. Collaborating with societies, corporations, educational institutions, government bodies, NGOs, and wellness foundations, Metropolis strives to improve lives. Aligned with UN Sustainable Development Goals (specifically SDGs 3, 4, and 5), the Company's CSR initiatives focus on education, gender equality, health awareness, and women's empowerment.</p> <p>Within Metropolis' core teams, sustainability is integral. The Company addresses critical issues like proper biomedical waste management, transitioning from plastic to biodegradable bags, water conservation, employee health and wellness, quality of care and patient satisfaction, patient data privacy, employee retention, diversity, equity, and inclusion and several other areas.</p> <p>As a responsible corporate citizen, the Company maintains high ethical standards. Transparency in governance is a cornerstone, with continual evaluation to benefit its stakeholders and society. Metropolis remains committed to affordable, accessible diagnostic testing with best-in-class services and accurate results, all while scaling the Company's ESG (Environmental, Social, and Governance) performance to global standards.</p>																				
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	<p>Ms. Ameera Shah Managing Director DIN No. 00208095</p>																				
9. Does the entity have a specified Committee of the Board/Director responsible for decision making on sustainability related issues? (Yes/No). If yes, provide details.	<p>The Board of Directors of the Company at their meeting held on February 02, 2024, approved the change of Corporate Social Responsibility Committee's terms of reference, roles & responsibilities, and nomenclature from the 'Corporate Social Responsibility Committee' to the 'Corporate Social Responsibility and Environmental, Social & Governance Committee' ("CSR and ESG Committee") to broaden the horizon of the Committee and to align it with the Environmental, Social & Governance (ESG) norms. The CSR and ESG Committee is responsible for overseeing and providing guidance on all matters related to sustainability. The constitution of this committee is as follows.</p> <table border="1"> <thead> <tr> <th>Name of Member</th> <th>DIN No.</th> <th>Designation</th> </tr> </thead> <tbody> <tr> <td>Ms. Anita Ramachandran</td> <td>00118188</td> <td>Independent Director</td> </tr> <tr> <td>Mr. S Ranganathan</td> <td>00125493</td> <td>Independent Director</td> </tr> <tr> <td>Ms. Ameera Shah</td> <td>00208095</td> <td>Managing Director</td> </tr> </tbody> </table>									Name of Member	DIN No.	Designation	Ms. Anita Ramachandran	00118188	Independent Director	Mr. S Ranganathan	00125493	Independent Director	Ms. Ameera Shah	00208095	Managing Director
Name of Member	DIN No.	Designation																			
Ms. Anita Ramachandran	00118188	Independent Director																			
Mr. S Ranganathan	00125493	Independent Director																			
Ms. Ameera Shah	00208095	Managing Director																			

Business Responsibility & Sustainability Report (Contd.)

10. **Details of review of NGRBCs by the Company:**

Subject for review	Indicate whether review was undertaken by Director/Committee of the Board/any other Committee									Frequency (Annually/half yearly/quarterly/ any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action										No								
Compliance with statutory requirements of relevance to the principle rectification of any non-compliances										No								

11. Has the entity carried out independent assessment/evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	P1	P2	P3	P4	P5	P6	P7	P8	P9
	No								

12. **If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:**

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the principles material to its business (Yes/No)	Not Applicable								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/ human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

SECTION C: PRINCIPLE-WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

PRINCIPLE 1

Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

EI.1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year.

Segment	Total number of training and awareness programs held	Topics/principles covered under the training and its impact.	% age of persons in respective category covered by the awareness programs
Board of Directors	5	<ul style="list-style-type: none"> Regulatory Updates Update on IT Systems of the Company 	100%
Key Managerial Personnel	5	Mandatory compliance modules	40%

Business Responsibility & Sustainability Report (Contd.)

Segment	Total number of training and awareness programs held	Topics/principles covered under the training and its impact.	% age of persons in respective category covered by the awareness programs
Employees other than BoD and KMPs	30	<p>Principle 1: Code of Conduct/Core Values Awareness Sessions Impact: Reduced cases of POSH and Code of Conduct violations.</p> <p>Principle 2: Product, Domain, and Technical Trainings Impact: Enhanced sales, improved NPS, and increased patient numbers.</p> <p>Principle 3: Employee Health & Safety Sessions Impact: Fewer contingencies and reduced attrition.</p> <p>Principle 4: Net Promoter Scores and Soft Skill Trainings for Frontline Services Team Impact: Improved NPS.</p> <p>Principle 5: POSH and Policy Trainings during Induction Programs Impact: Better work culture and improved attrition rates.</p> <p>Principle 6: Awareness Sessions/Discussions as Part of the ESG Agenda Impact: Increased understanding of sustainability's importance to the Company.</p> <p>Principle 7: Statutory Compliance Awareness Sessions Impact: Fewer non-compliance incidents.</p> <p>Principle 8: DEI Sessions/CSR Activities Impact: Greater community service awareness.</p> <p>Principle 9: Launch of NPS Score Collection Tools and Usability Training for Clients Impact: Enhanced service improvement.</p>	37%
Workers	2	As part of their induction, one functional program was conducted along with a behavioral program titled 'Power of I'.	36%

EI.2. Details of fines/penalties/punishment/award/ compounding fees/settlement amount paid in proceedings (by the entity or by directors/KMPs) with regulators/law enforcement agencies/judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

Type	Monetary				
	NGRBC principle	Name of the Regulatory/ Enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the case	Has an appeal been preferred (Yes/No)?
Penalty/fine	-	-	-	-	-
Settlement	-	-	-	-	-
Compounding fee	-	-	-	-	-

Business Responsibility & Sustainability Report (Contd.)

Type	Non-monetary				
	NGRBC principle	Name of the Regulatory/ Enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the case	Has an appeal been preferred (Yes/No)?
Imprisonment	-	-	-	-	-
Punishment	-	-	-	-	-

Remarks: There were no such cases. However, this information specifically pertains to Company's operations.

E.I.3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Case details	Name of the regulatory/enforcement agencies/judicial institutions
-	-

EI.4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

No.

EI. 5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

Particulars	FY 2023-24	FY 2022-23
Directors	None	None
KMPs		
Employees		
Workers		

EI.6. Details of complaints with regard to conflict of interest:

Category	FY 2023-24		FY 2022-23	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of conflict of interest of the Directors	-	-	-	-
Number of complaints received in relation to issues of conflict of interest of the KMPs	-	-	-	-

EI.7. Provide details of any corrective action taken or underway on issues related to fines/penalties/action taken by regulators/law enforcement agencies/judicial institutions, on cases of corruption and conflicts of interest.

There were no cases of corruption or conflict of interest. Thus, no corrective actions were required.

EI-8. Number of days of accounts payables [(Accounts payable *365)/Cost of goods/services procured]] in the following format:

Particulars	FY 2023-24	FY 2022-23
Number of days of account payables	75 Days	65 Days

EI.9. Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Business Responsibility & Sustainability Report (Contd.)

Parameters	Metrics	FY 2023-24	FY 2022-23
Concentration of purchases	Purchases from trading houses as % of total purchases	63%	57%
	Number of trading houses where purchases are made from	543	591
	Purchases from top 10 trading houses as % of total purchases from trading houses	47.7%	47.7%
Concentration of sales	Sales to dealers / distributors as % of total sales	Not Applicable	Not Applicable
	Number of dealers / distributors to whom sales are made	Not Applicable	Not Applicable
	Sales to top 10 dealers/ distributors as % of total sales to dealers / distributors	Not Applicable	Not Applicable
Share of RPTs in	Purchases* (Purchases with related parties / Total purchases)	3.99	1.86
	Sales (Sales to related parties / Total sales)	2.54	1.67
	Loans & advances (Loans & advances given to related parties/ Total loans & advances)	28.62	61.30
	Investments (Investments in related parties / Total investments made)	49.85	73.73

Leadership Indicators

LI.1. Awareness programs conducted for value chain partners or any of the Principles during the Financial year.

Total Number of awareness programmes held	Topics/Principles covered under the training	% age of value chain partners covered (by value of business done with such partners) under the awareness programmes
-	-	-

LI.2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/ No) If yes, provide details of the same.

Yes. The Company has a Code of Conduct for its Board Members and Leadership Team, which outlines guidelines for preventing and managing conflict of interest. This Code of Conduct is available on the Company's website.

PRINCIPLE 2

Businesses should provide goods and services in a manner that is sustainable and safe.

Essential Indicators

E.1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

Particulars	FY 2023-24	FY 2022-23	Details of improvements in environmental and social impacts
R&D	-	-	-
Capex	0.04%	-	We cannot provide Effluent treatment plant for Express lab workload. However in order to ensure compliance and to avoid environmental and social impact, we have created a system in main plumbing line and treated and discharging the wastewater.

Business Responsibility & Sustainability Report (Contd.)

E.2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

Yes

E.2. b. If yes, what percentage of inputs were sourced sustainably?

Currently, 6% of our vendors adhere to our sustainability principles. We aim to increase this percentage next year. The Company is focused on enhancing social and environmental performance across its supply chain by setting clear expectations and favouring local vendors. We are developing a robust sustainable sourcing procedure to support our commitment to responsible procurement. By partnering with environmentally conscious vendors, Metropolis seeks to minimize negative impacts and promote sustainability throughout our operations.

EI. 3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) Other waste.

Not Applicable

EI.3. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes/No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Not Applicable

Leadership Indicators

LI.1. Has the entity conducted Life Cycle Perspective/Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

NIC code	Name of product/ service	% of total turnover contributed	Boundary for which the Life Cycle Perspective/ Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link
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Not Applicable

LI.2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products/services, as identified in the Life Cycle Perspective/Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Sr. no.	Name of product/service	Description of the risk/ concern	Action taken
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Not Applicable

LI.3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Sr. no.	Indicate input material	Recycled or re-used input material to total material (FY 2023-24)	Recycled or re-used input material to total material (FY 2022-23)
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Not Applicable

Business Responsibility & Sustainability Report (Contd.)

LI.4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

	2023-24			2022-23		
	Re-used	Recycled	Safely disposed	Re-used	Recycled	Safely disposed
Plastics (including packaging)	-	-	-	-	-	-
E-waste	-	-	-	-	-	-
Hazardous waste	-	-	-	-	-	-
Other waste	-	-	-	-	-	-

LI.5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Sr. no.	Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
		Not Applicable

PRINCIPLE 3

Businesses should respect and promote the well-being of all employees, including those in their value chains.

Essential Indicators**EI-1. a. Details of measures for the well-being of employees (permanent employees).**

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent employees											
Male	1,616	1,616	100	1,616	100	NA	NA	55	3.4	-	-
Female	720	720	100	720	100	52	7.2	NA	NA	-	-
Total	2,336	2,336	100	2,336	100	52	2.2	55	2.3	-	-
Other than permanent employees											
Male	130	10	7.7	130	100	-	-	-	-	-	-
Female	149	11	7.4	149	100	-	-	-	-	-	-
Total	279	21	7.5	279	100	-	-	-	-	-	-

EI-1. b. Details of measures for the well-being of workers. (permanent workers).

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent workers											
Male	888	888	100	888	100	NA	NA	20	2.2	-	-
Female	1,089	1,089	100	1,089	100	23	2.1	NA	NA	-	-
Total	1,977	1,977	100	1,977	100	23	1.7	20	1.0	-	-
Other than permanent workers											
Male	91	91	100	91	100	-	-	-	-	-	-
Female	57	57	100	57	100	-	-	-	-	-	-
Total	148	148	100	148	100	-	-	-	-	-	-

Business Responsibility & Sustainability Report (Contd.)

EI-1. c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format:

Particulars	FY 2023-24	FY 2022-23
Cost incurred on well-being measures as a % of total revenue of the Company	0.218%	0.167%

EI-2. Details of retirement benefits, for Current FY and Previous FY.

Benefits	FY 2023-24			FY 2022-23		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees.	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	89.58	100	Y	88.82	100	Y
Gratuity	89.92	100	Y	89.48	100	Y
ESI	0	100	Y	0	100	Y
Others – please specify	-	-	-	-	-	-

EI-3. Accessibility of workplaces

Are the premises/offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Some offices are equipped with ramps to ensure accessibility for differently-abled employees and workers. Wheelchairs are also available to further enhance employee convenience. The Company implemented diversity hiring initiatives in FY 2023-24 and will prioritize disability hiring in FY 2024-25. Metropolis is committed to gradually ensuring that premises and offices become accessible to differently abled individuals.

EI-4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

The Company is currently in the process of developing the equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016. Meanwhile, processes have been implemented to ensure equal opportunity for all individuals.

EI-5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100	91	100	86
Female	59	85	66	93
Total	81	88	83	90

EI-6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.

Category	Yes/No (If yes, then give details of the mechanism in brief)
Permanent workers	Yes. The Company utilizes HRMS software to facilitate employees in raising their concerns. Dedicated teams are assigned to address grievances promptly and effectively.
Other than permanent workers	
Permanent employees	
Other than permanent employees	

Business Responsibility & Sustainability Report (Contd.)

EI-7. Membership of employees and worker in association(s) or Unions recognized by the listed entity:

Category	FY 2023-24			FY 2022-23		
	Total employees/workers in respective category (A)	No. of employees/workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees/workers in respective category (C)	No. of employees/workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Total permanent employees	2,336	-	-	2,156	-	-
Male	1,616	-	-	1,483	-	-
Female	720	-	-	673	-	-
Total permanent workers	1,977	-	-	2,144	-	-
Male	888	-	-	1,039	-	-
Female	1,089	-	-	1,105	-	-

EI-8. Details of training given to employees and workers:

Category	FY 2023-24					FY 2022-23				
	Total (A)	On health and safety measures		On skill upgradation		Total (D)	On health and safety measures		On skill upgradation	
		Number (B)	% (B/A)	Number (C)	% (C/A)		Number (E)	% (E/D)	Number (F)	% (F/D)
Employees										
Male	1,746	80	4.5	702	40.02	1,604	39	2	416	26
Female	869	79	9.09	268	30.8	817	35	4	261	32
Total	2,615	159	6.08	970	37.09	2,421	74	3	677	28
Workers										
Male	979	82	8.3	275	28.08	1,163	30	3	101	9
Female	1,146	144	12.5	484	42.23	1,181	34	3	126	11
Total	2,125	226	10.6	759	35.71	2,344	64	3	227	10

Note: Due to digitization and change in methodology, the last year has been changed.

EI-9. Details of performance and career development reviews of employees and workers:

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	1,746	1,374	79	1,607	1,403	87
Female	869	735	84.5	818	698	85
Total	2,615	2,109	81	2,425	2,101	87
Workers						
Male	979	516	53	1,160	1,010	87
Female	1,146	916	80	1,180	998	84
Total	2,125	1,432	67.3	2,340	1,998	85

EI-10. a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/No). If yes, the coverage of such a system?

Yes. The Company implemented an occupational health and safety management system in FY 2023-24, which covers all employees and facilities. Since its implementation, Metropolis has been diligently recording all incidents to ensure a safe working environment.

Business Responsibility & Sustainability Report (Contd.)

EI-10. b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

In accordance with recommended guidelines, the Company has identified various workplace hazards and developed the necessary policies and guidelines to address them. Additionally, a comprehensive risk assessment and mitigation plan has been established. To ensure compliance, audits are conducted regularly, including feedback surveys and infrastructure checks, as part of the scheduled and routine processes.

EI-10. c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)

Yes. Metropolis provides a documentation mechanism for workers to report safety incidents and work-related hazards. This system allows employees to remove themselves from risky situations and ensures their concerns are addressed promptly.

EI-10. d. Do the employees/workers of the entity have access to non-occupational medical and healthcare services? (Yes/No)

Yes. All employees and workers have access to non-occupational medical and healthcare services. They are covered by either Group Medclaim or ESIC, depending on their eligibility and applicability.

EI-11. Details of safety related incidents, in the following format:

Safety incident/Number	Category	FY 2023-24	FY 2022-23
Lost Time Injury Frequency Rate (LTIFR) (per one Mn-person hours worked)	Employees	-	-
	Workers	-	-
Total recordable work-related injuries	Employees	-	-
	Workers	-	-
No. of fatalities	Employees	-	-
	Workers	-	-
High consequence work-related injury or ill-health (excluding fatalities)	Employees	-	-
	Workers	-	-

EI-12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

Metropolis takes comprehensive measures to ensure a safe and healthy workplace for its employees. Key initiatives include:

- Mandatory use of Personal Protective Equipment (PPE) within laboratory premises.
- Maintenance of Biological Safety Levels (BSLs) Laboratories in compliance with regulatory requirements.
- Proper disposal of biomedical waste in accordance with prescribed guidelines.
- Secure storage of gas cylinders where applicable.
- Implementation of restricted access measures to laboratory areas.
- Prohibition of food and drink consumption within laboratory spaces.
- Use of circuit breakers for electrical safety.
- Safe handling of hazardous chemicals.
- Design of laboratories to promote safety and efficiency.
- Regular staff training on the use of fire extinguishers and adherence to safety protocols.

These measures are part of Metropolis' commitment to maintaining a secure and healthy work environment. The Company is planning to form a dedicated safety committee to bring in the discipline across the organization.

Business Responsibility & Sustainability Report (Contd.)

EI-13. Number of complaints on the following made by employees and workers:

Particulars	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working conditions	-	-	-	-	-	-
Health and safety	-	-	-	-	-	-

EI-14. Assessments for the year:

Category	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100% Self-Assessed (214/214)
Working conditions	100% Self Assessed (214/214)

EI-15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

As of now, no safety-related incidents have been recorded.

Leadership Indicators**LI-1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).**

(A) Employees (Y) (B) Workers (Y)

Compensatory packages are provided only in the event of accidental death, benefiting the immediate family or nominees under Group Personal Accident Insurance Policy.

LI-2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

The Company regularly audits to ensure prompt deposit of all statutory dues and contractually obligates third parties to ensure timely payment of these dues.

LI-3. Provide the number of employees/workers having suffered high consequence work-related injury/ill-health/fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

Category	Total no. of affected employees/workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2023-24	FY 2022-23	FY 2023-24	FY 2022-23
Employees	-	-	-	-
Workers	-	-	-	-

LI-4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/No)

No

LI-5. Details on assessment of value chain partners:

Category	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	None
Working conditions	

Business Responsibility & Sustainability Report (Contd.)

LI-6. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from assessments of health and safety practices and working conditions of value chain partners.

Not Applicable

PRINCIPLE 4

Businesses should respect the interests of and be responsive to all its stakeholders.

Essential Indicators

EI-1. Describe the processes for identifying key stakeholder groups of the entity.

The Company has established a robust process for regularly identifying and engaging with key stakeholders, both internal and external, in alignment with Business Responsibility and Sustainability Report (BRSR) guidelines. This approach includes leveraging support from professional ESG consultants to enhance these efforts. Stakeholder engagement is integral to the Company's commitment to responsible and sustainable business practices, serving as a vital method for assessing performance, evaluating stakeholder value, and addressing pertinent sustainability issues.

EI-2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Sr. no.	Stakeholder group	Whether identified as vulnerable & marginalized group (Yes/ No)	Channels of communication (Email, SMS, newspaper, pamphlets, advertisement, community meetings, notice Board, website), other	Frequency of engagement (annually/half yearly/quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
1	Employees	No	Emails, surveys, townhalls, employee portal, SMS	Quarterly	Regular Company updates / training needs
2	Franchised lab partners	No	Emails and surveys	Monthly	Promotional schemes, and training updates
3	Customers	No	SMS, newspapers, pamphlets, website, social media platforms	Monthly	Promotional schemes and new tests, among others
4	Govt/ Regulatory authorities	No	Emails and letters	Event based	Representations/perspectives on change in regulations/upcoming laws
5	Investors/ shareholders	No	Website, Annual Meeting, Newspaper, Investor Meeting	Quarterly/half yearly/ annually	Financial results/other corporate announcements
6	Communities	No	Website, pamphlets, emails, social media platforms	Quarterly/half yearly/ annually	As part of the Company's Corporate Social Responsibility (CSR) obligation, Metropolis shares about the CSR programs that can benefit society
7	Vendors	No	Digital meetings/in-person meetings	Quarterly/half yearly/ annually	Regular business updates, performance feedback, and any updates related to changes in regulations regarding supplies or services

Business Responsibility & Sustainability Report (Contd.)

Leadership Indicators

LI-1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

Initial dialogue on ESG matters begins between relevant business heads/functional heads and stakeholders, with summaries of discussions escalated to Key Managerial Personnel. Subsequently, feedback is presented to the Board Members periodically during Board meetings to keep them updated on stakeholder perspectives and concerns regarding economic, environmental, and social topics.

LI-2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes/No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into the policies and activities of the entity.

Yes. The stakeholder consultation is integral to supporting the identification and management of environmental and social topics at the Company. An extensive digital materiality assessment was conducted using a double materiality approach, engaging various stakeholders. Subsequently, with input from stakeholders and collaboration with an external ESG consultant, the Company developed its ESG roadmap, goals, and targets. Multiple workshops were organized to gather insights and feedback. The outcomes of these consultations have been directly integrated into the Company's ESG strategy, ensuring alignment with stakeholder expectations and sustainability priorities.

LI-3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/marginalized stakeholder groups.

Currently, the Company does not identify any vulnerable or marginalized groups among its stakeholders.

PRINCIPLE 5

Businesses should respect and promote human rights.

Essential Indicators

EI-1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. of employees/workers covered (B)	% (B/A)	Total (C)	No. of employees/workers covered (D)	% (D/C)
Employees						
Permanent	2,336	2,169	93	2,350	1,626	69
Other than permanent	279	239	86	322	208	65
Total employees	2,615	2,408	92.08	2,672	1,834	68.63
Workers						
Permanent	1,977	1,803	91.1	2,091	1,531	73
Other than permanent	148	136	92	548	431	79
Total workers	2,125	1,939	91.24	2,639	1,962	74.34

Business Responsibility & Sustainability Report (Contd.)

EI-2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2023-24					Total (D)	FY 2022-23			
	Total (A)	Equal to minimum wages		More than minimum wages			Equal to minimum wages	More than minimum wages		
		Number (B)	% (B/A)	Number (C)	% (C/A)			Number (E)	% (E/D)	Number (F)
Employees										
Permanent	2,336	0	0	2,336	100	2,156	0	0	2,156	100
Male	1,616	0	0	1,616	100	1,483	0	0	1,483	100
Female	720	0	0	720	100	673	0	0	673	100
Other than permanent	279	0	0	15	5.37	265	0	0	265	100
Male	130	0	0	10	7.69	121	0	0	121	100
Female	149	0	0	5	3.35	144	0	0	144	100
Workers										
Permanent	1,977	1,977	100	0	0	2,144	2,144	100	0	0
Male	888	888	100	0	0	1,039	1,039	100	0	0
Female	1,089	1,089	100	0	0	1,105	1,105	100	0	0
Other than permanent	148	148	100	0	0	200	200	100	0	0
Male	91	91	100	0	0	124	124	100	0	0
Female	57	57	100	0	0	76	76	100	0	0

EI-3. a. Details of remuneration/salary/wages, in the following format: Median remuneration/wages:

Category	Male		Female	
	Number	Median remuneration/salary/wages of respective category (in INR.)	Number	Median remuneration/salary/wages of respective category (in INR.)
Board of directors (BoD)	5	17,50,000	2	2,60,87,502
Key Managerial Personnel	4	1,65,60,000	1	5,00,00,000
Employees other than BoD and KMP	1,746	4,93,788	869	4,33,800
Workers	979	2,51,988	1,146	2,53,806

EI-3. b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

Particulars	FY 2023-24	FY 2022-23
Gross wages paid to females as % of total wages	42.49%	41.93%

EI-4. Do you have a focal point (Individual/Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes. Metropolis has a designated focal point responsible for addressing human rights impacts or issues caused by the business, supported by both a Whistleblower Policy and a Human Rights Policy. These policies ensure proactive management and resolution of human rights concerns within the Company's operations and interactions with stakeholders.

EI-5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

Metropolis provides the following grievance mechanisms to enable all employees, business partners, and relevant parties to securely raise grievances related to human rights violations and report any breaches of policies and procedures:

- a) Whistleblower Policy:** This policy allows for the reporting of genuine concerns or grievances regarding unethical behavior or suspected fraud.
- b) Policy on Prevention and Redressal of Sexual Harassment at Workplace:** Specifically for reporting instances of sexual harassment of women in the workplace.

Any concerns related to human rights violations outlined in this policy can be reported directly to Ms. Ishita Medhekar, Chief People Officer, at: hr.communication@metropolisindia.com. She serves as the designated point of contact for all human rights issues.

Business Responsibility & Sustainability Report (Contd.)

EI-6. Number of complaints on the following made by employees and workers:

Category	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual harassment	-	-	-	2	1	-
Discrimination at workplace	-	-	-	-	-	-
Child labour	-	-	-	-	-	-
Forced labour/Involuntary labour	-	-	-	-	-	-
Wages	-	-	-	-	-	-
Other human rights related issues	-	-	-	-	-	-

Note: The unresolved complaint of the FY 2022-2023 has been resolved in the current financial year

EI-7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

Particulars	Current financial year	Previous financial year
Total complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	-	2
Complaints on POSH as a % of female employees/workers	-	0.1
Complaints on POSH upheld	-	1

Note: The unresolved complaint of the FY 2022-2023 has been resolved in the current financial year.

EI-8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

To prevent adverse consequences for complainants in discrimination and harassment cases, we implement the following mechanisms:

- Harassment Prohibition: Employees are informed that harassment is strictly prohibited.
- Contact Points: Clear guidance is provided on whom employees should contact with harassment-related questions or concerns.
- Protection Assurance: Employees are assured they will not face punishment for raising questions or sharing concerns.
- Prompt Response and Investigation: Complaints are addressed and investigated promptly and effectively.
- Manager Responsibility: Managers are trained to stop, address, and prevent harassment.

We maintain a comprehensive policy to prevent both discrimination and retaliation. Each complaint is investigated thoroughly and fairly to establish the facts. We enforce a strict zero-tolerance policy against retaliation, with severe penalties for both the original offense and any retaliatory actions.

EI-9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes. Metropolis incorporates human rights requirements into all its agreements and contracts as a standard practice. This ensures alignment with ethical principles and promotes respect for human rights throughout our business operations.

EI-10. Assessments for the year:

Category	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100
Forced/involuntary labour	100
Sexual harassment	100
Discrimination at workplace	100
Wages	100
Others - please specify	-

EI-11. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 10 above.

Not applicable. No significant observations or concerns were identified that require corrective actions.

Business Responsibility & Sustainability Report (Contd.)

Leadership Indicators

LI-1. Details of a business process being modified/introduced as a result of addressing human rights grievances/complaints.

Metropolis has revised its internal and external communications to ensure gender neutrality. The Company has also launched programs and initiatives designed to promote inclusivity and equal opportunities across all demographics, including gender, social status, age, community affiliation, and physical abilities. These measures reflect our commitment to addressing human rights concerns and fostering a fair and respectful workplace environment.

LI-2. Details of the scope and coverage of any human rights due diligence conducted.

During 2023-24, the Company did not undertake any human rights due diligence.

LI-3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Metropolis operates a nationwide network of diagnostic centers, with some already equipped with infrastructure to accommodate differently abled patients. The Company is actively progressing to enhance accessibility across all centers gradually. In addition, Metropolis provides home collection services tailored for individuals with disabilities, elderly persons, or patients unable to visit labs in-person for tests. These initiatives underscore the Company's commitment to inclusivity and adherence to the Rights of Persons with Disabilities Act, 2016.

LI-4. Details on assessment of value chain partners:

Category	% of value chain partners (by value of business done with such partners) that were assessed
Sexual harassment	-
Discrimination at workplace	-
Child labour	-
Forced labour/Involuntary labour	-
Wages	-
Others - please specify	-

The BRSR principles cover only the Company as of now and do not include its value chain partners.

LI-5. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 4 above.

Not Applicable

PRINCIPLE 6

Businesses should respect and make efforts to protect and restore the environment.

Essential Indicators

EI-1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2023-24	FY 2022-23
From renewable sources		
Total electricity consumption (A)	2,634	2,074
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	-	-
Total energy consumed from renewable sources (A+B+C)	2,634	2,074
From Non-renewable sources		
Total electricity consumption (D)	31,974	41,550
Total fuel consumption (E)	149	112
Energy consumption through other sources (F)	-	-

Business Responsibility & Sustainability Report (Contd.)

Parameter	FY 2023-24	FY 2022-23
Total energy consumed from non-renewable sources (D+E+F)	32,123	41,663
Total energy consumed (A+B+C+D+E+F)	34,757	43,737
Energy intensity per rupee of turnover (Total energy consumed/Revenue from operations)	31.51	41.26
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)* (Total energy consumed/Revenue from operation adjusted for PPP)	49.24	47.96
Energy intensity in terms of physical output	-	-
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-

Note: This year, we have changed the methodology and the same is reported in Gigajoules. Due to digitization and different methodology, the data for last year has also been changed. Revenue from operations is in Cr and PPP in USD Cr.

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes. We have engaged an authorized partner for power quality audits and thermography assessments.

EI-2. Does the entity have any sites/facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

Not Applicable.

EI-3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2023-24	FY 2022-23
Water withdrawal by source (in kilolitres)		
(i) Surface water withdrawal	13,06,810	12,13,600
(ii) Groundwater withdrawal	5,00,000	5,00,000
(iii) Third party water withdrawal	-	-
(iv) Seawater/desalinated water withdrawal	-	-
(v) Other withdrawal	-	-
Total volume of water withdrawal (in kilolitres) (i+ii+iii+iv+v)	18,06,810	17,13,600
Total volume of water consumption (in kilolitres)	3,00,000	3,00,000
Water intensity per rupee of turnover (Total water consumption/Revenue from Operations)	271.99	283.02
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)* (Total water consumption/Revenue from operations adjusted for PPP)	49.24	47.96
Water intensity in terms of physical output	-	-
Water intensity (optional) – the relevant metric may be selected by the entity	-	-

Note: Due to digitization and different methodology, the data for last year has also been changed. Revenue from operations is in Cr and PPP in USD Cr.

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

EI-4. Provide the following details related to water discharged: Water discharge by destination and level of treatment (in kilolitres)

Parameter	FY 2023-24	FY 2022-23
Water discharge by destination and level of treatment (in kilolitres)		
(i) To surface water	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-

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Parameter	FY 2023-24	FY 2022-23
(ii) To groundwater	-	-
- No treatment	-	-
- With treatment - please specify level of treatment	-	-
(iii) To seawater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iv) Sent to third parties	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(v) Others	-	-
- No treatment	50,010	2,07,000
- With treatment – please specify level of treatment (effluent treatment plant)	14,56,800	12,06,600
Total water discharged (in kilolitres)	15,06,810	14,13,600

Note: Due to digitization and different methodology, the data for last year has also been changed.

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency

No

EI-5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

No

EI- 6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2023-24	FY 2022-23
NOx	-	-	-
Sox	-	-	-
Particulate matter (PM)	-	-	-
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	-	-	-
Hazardous air pollutants (HAP)	-	-	-
Others - please specify	-	-	-

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

EI-7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) in MTCO₂e & its intensity, in the following format:

Parameter	Unit	FY 2023-24	FY 2022-23
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	317.68	220.95
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	6825.35	9815.38
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	Metric tonnes of CO ₂ equivalent/ Cr	6.48	9.47

Business Responsibility & Sustainability Report (Contd.)

Parameter	Unit	FY 2023-24	FY 2022-23
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	Metric tonnes of CO ₂ equivalent/ USD Cr	49.24	47.96
Total Scope 1 and Scope 2 emission intensity in terms of physical output	-	-	-
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	-	-	-

Note: Due to digitization and different methodology, the data for last year has also been changed.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

EI-8. Does the entity have any project related to reducing green house gas emission? If yes, then provide details.

No.

EI-9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2023-24	FY 2022-23
Total waste generated (in metric tonnes)		
Plastic waste (A)	15.94	25.20
E-waste (B)	-	0.04
Bio-medical waste (C)	267.36	328.68
Construction and demolition waste (D)	35.00	23.40
Battery waste (E)	-	-
Radioactive waste (F)	-	-
Other hazardous waste. Please specify, if any. (G)	-	-
Other non-hazardous waste generated. (H) <i>Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)</i>	-	-
Total (A + B + C + D + E + F + G + H)	318.30	377.32
Waste intensity per rupee of turnover (Total waste generated /Revenue from operations)	0.29	0.36
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	49.00	46.79
Waste intensity in terms of physical output	-	-
Waste intensity (optional) – the relevant metric may be selected by the entity	-	-

Note: Due to digitization and different methodology, the data for last year has also been changed. Revenue from operations is in Cr and PPP in USD Cr

EI-9. For plastic waste, provide total waste recovered through recycling, re-using or other recovery operations and total waste disposed by nature of disposal method (in metric tonnes).

Particulars	FY 2023-24	FY 2022-23
Recycled	12.75	20.16
Re-used	3.19	5.04
Other recovery operations	-	-
Incineration	-	-
Landfilling	-	-
Other disposal operations	-	-

Business Responsibility & Sustainability Report (Contd.)

EI-9. For e-waste, provide total waste recovered through recycling, re-using or other recovery operations and total waste disposed by nature of disposal method (in metric tonnes).

Particulars	FY 2023-24	FY 2022-23
Recycled	-	-
Re-used	-	-
Other recovery operations	-	-
Incineration	-	-
Landfilling	-	-
Other disposal operations	-	0.04

Note: We have implemented a buyback program for E-waste across the organization.

EI-9. For Bio-medical waste, provide total waste recovered through recycling, re-using or other recovery operations and total waste disposed by nature of disposal method (in metric tonnes).

Particulars	FY 2023-24	FY 2022-23
Recycled	-	-
Re-used	-	-
Other recovery operations	-	-
Incineration	-	-
Landfilling	-	-
Other disposal operations	267.36	328.68

EI-9. For construction and demolition waste, provide total waste recovered through recycling, re-using or other recovery operations and total waste disposed by nature of disposal method (in metric tonnes).

Particulars	FY 2023-24	FY 2022-23
Recycled	-	-
Re-used	-	-
Other recovery operations	-	-
Incineration	-	-
Landfilling	-	-
Other disposal operations	35.00	23.40

EI-9. For battery waste, provide total waste recovered through recycling, re-using or other recovery operations and total waste disposed by nature of disposal method (in metric tonnes).

Particulars	FY 2023-24	FY 2022-23
Recycled	-	-
Re-used	-	-
Other recovery operations	-	-
Incineration	-	-
Landfilling	-	-
Other disposal operations	-	-

EI-9. For radioactive waste, provide total waste recovered through recycling, re-using or other recovery operations and total waste disposed by nature of disposal method (in metric tonnes).

Particulars	FY 2023-24	FY 2022-23
Recycled	-	-
Re-used	-	-
Other recovery operations	-	-
Incineration	-	-
Landfilling	-	-
Other disposal operations	-	-

Business Responsibility & Sustainability Report (Contd.)

EI-9. For other hazardous waste, provide total waste recovered through recycling, re-using or other recovery operations and total waste disposed by nature of disposal method (in metric tonnes).

Particulars	FY 2023-24	FY 2022-23
Recycled	-	-
Re-used	-	-
Other recovery operations	-	-
Incineration	-	-
Landfilling	-	-
Other disposal operations	-	-

EI-9. For other non-hazardous waste, provide total waste recovered through recycling, re-using or other recovery operations and total waste disposed by nature of disposal method (in metric tonnes).

Particulars	FY 2023-24	FY 2022-23
Recycled	-	-
Re-used	-	-
Other recovery operations	-	-
Incineration	-	-
Landfilling	-	-
Other disposal operations	-	-

Note: Due to digitization and different methodology, the data for last year has also been changed.

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No.

EI-10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by the Company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

The Company is dedicated to effective waste management and minimizing the use of hazardous and toxic chemicals. In compliance with the Biomedical Waste Management Rules 2016, waste is segregated according to government guidelines to prevent cross-contamination and facilitate proper disposal. We provide vaccinations for individuals handling biomedical waste to ensure their safety and health. We partner with government-authorized agencies to collect and dispose of biomedical waste safely and compliantly. Additionally, we implement strategies to reduce the usage of hazardous and toxic chemicals in our products and processes, focusing on sustainable alternatives and optimized processes to minimize waste generation.

EI-11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals/clearances are required, please specify details in the following format:

Sr. no.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval/clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
-	-	-	-

The Company's operations do not take place in ecologically sensitive areas.

EI-12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Sr. no.	Name and brief details of project	EIA notification no.	Date	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant web link
-	-	-	-	-	-	-

Remarks: No audits were conducted. All statutory norms were followed in terms of EHS.

Business Responsibility & Sustainability Report (Contd.)

EI-13. Is the entity compliant with the applicable environmental law/regulations/guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

Sr. no.	Specify the law/regulation/guidelines which was not complied with	Provide details of the non-compliance	Any fines/penalties/action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
-	-	-	-	-

Leadership Indicators

LI-1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

For each facility / plant located in areas of water stress, provide the following information:

- (i) Name of the area: -
- (ii) Nature of operations: -
- (iii) Water withdrawal, consumption and discharge in the following format:

Parameter	FY 2023-24	FY 2022-23
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	-	-
(iii) Third party water	-	-
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres)	-	-
Total volume of water consumption (in kilolitres)	-	-
Water intensity per rupee of turnover (Water consumed / turnover)	-	-
Water intensity (optional) – the relevant metric may be selected by the entity	-	-
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into surface water	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(ii) Into groundwater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iii) Into seawater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iv) Sent to third parties	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(v) Others	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
Total water discharged (in kilolitres)	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

Business Responsibility & Sustainability Report (Contd.)

LI-2. Please provide details of total Scope 3 emissions (MTCO₂e) & its intensity, in the following format:

Parameter	Unit	FY 2023-24	FY 2022-23
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	44	218
Total Scope 3 emissions per rupee of turnover	Metric tonnes of CO ₂ equivalent/Cr	0.04	0.21
Total Scope 3 emission intensity (optional) – the relevant metric maybe selected by the entity	-	-	-

Note: Due to digitization and different methodology, the data for last year has also been changed.

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

LI-3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

The Company doesn't have any laboratory operations in ecologically sensitive areas.

LI-4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions/effluent discharge/waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sr. no	Initiative undertaken	Details of the initiative (web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Third-party power procurement	30% power generation through renewable energy	Renewable energy sources and reduction in carbon footprint
2	Energy management and conservation	Scheduled HVAC operations, implemented LED lights and installed power conservation devices	30% Y-o-Y reduction in energy emissions
4	Effluent treatment plant installation	Effluent treatment plant installation for minimizing the impact of water pollution	Effluents treated before being discharged
5	Elimination of disposable water bottles usage	Pet bottles and jars were given to all employees and disposable water bottles were restricted inside the organization	Reducing plastic waste and supporting a green environment and conservation of water

LI-5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/web link.

The Company has implemented a robust Business Continuity Plan (BCP) and Disaster Recovery (DR) strategy that addresses various critical aspects. This includes ensuring seamless operations in the face of disasters or incidents, swiftly resuming activities to minimize disruptions. The strategy also encompasses a comprehensive approach and action plan for emergencies, integrating preventive, detective, corrective, and monitoring measures.

Moreover, these efforts are instrumental in bolstering customer confidence and trust among external stakeholders, showcasing the organization's commitment to addressing Environmental, Social, and Governance (ESG) concerns. Furthermore, the Company places a high priority on ensuring the safety and security of its employees during external events such as fires, earthquakes, and other emergencies. These measures underscore the Company's dedication to operational resilience and stakeholder welfare in all circumstances.

LI-6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

There were no such incidents that occurred during the financial year.

Business Responsibility & Sustainability Report (Contd.)

LI-7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impact.

No environmental assessments were conducted for the Company's value chain partners during the financial year. However, the Company is currently developing a standard practice to address environmental impacts comprehensively throughout its value chain.

PRINCIPLE 7

Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.

Essential Indicators

EI-1. a. Number of affiliations with trade and industry chambers/associations.

One

EI-1. b. List the top 10 trade and industry chambers/associations (determined based on the total members of such body) the entity is a member of/affiliated to.

Sr. no.	Name of the trade and industry chambers/associations	Reach of trade and industry chambers/associations (State/National)
1	NATHEALTH (Healthcare Federation of India)	National

EI-2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

Sr. no.	Name of authority	Brief of the case	Corrective action taken
-	-	-	-

Leadership Indicators

LI-1. Details of public policy positions advocated by the entity:

S. no.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (annually/half yearly/quarterly/others - please specify)	Web link, if available
-	-	-	-	-	-

PRINCIPLE 8

Businesses should promote inclusive growth and equitable development.

Essential Indicators

EI-1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Sr. no.	Name and brief details of project	SIA notification no.	Date of notification	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant web link
Not Applicable						

Business Responsibility & Sustainability Report (Contd.)

EI-2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

Sr. no.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (in INR)
Not Applicable						

EI-3. Describe the mechanisms to receive and redress grievances of the community.

The Company does not engage in manufacturing operations, so its activities do not affect the local community where its diagnostic centers are located.

EI-4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

Category	FY 2023-24	FY 2022-23
Directly sourced from MSMEs/small producers	4.08%	10.01%
Sourced directly from within India	99.96%	99.97%

EI-5. Job creation in smaller towns- Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent/on contract basis) in the following locations, as % of total wage cost. (Place to be categorized as per RBI Classification System - rural/semi-urban/urban/metropolitan)

Location	FY 2023-24	FY 2022-23
Rural	0%	0%
Semi-urban	0%	0%
Urban	35.91%	35.24%
Metropolitan	64.09%	64.76%

Leadership Indicators**LI-1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):**

Sr. no.	Details of negative social impact identified	Corrective action taken
Not Applicable		

LI-2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

Sr. no.	State	Aspirational district	Amount spent (in INR.)
1	Maharashtra	Nandurbar	38,00,000
2	Bihar, Odisha, Jharkhand, Rajasthan, Haryana Chhattisgarh, Andhra Pradesh, Assam Gujarat, Karnataka, Maharashtra, Punjab, Telangana, Uttar Pradesh, and Kerala	Araria, Aurangabad, Baksa, Balangir, Balarampur, Baramula, Baran, Barwani, Bastar, Bijapur, Chamba, Chandel, Chatra, Chhatarpur, Chitrakoot, Dakshin, Darrang, Dhalai, Dhaulpur, Dhenkanal, Dhubri, Dohad, Dumka, Fatehpur, Gadchiroli, Gaya, Giridih, Guna, Haridwar, Jaisalmer, Katihar, Khandwa, Latehar, Mahasamund, Mewat, Moga, Namsai, Nandurbar, Narmada, Nawada, Osmanabad, Raichur, Rajgarh, Ranchi, Sirohi, Sonbhadra, Vidisha, Vishakhapatnam, Washim, Wayanad, and West Y.S.R. Yadgir	60,00,000
Total			98,00,000

LI-3. a. Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)

No.

Business Responsibility & Sustainability Report (Contd.)

LI-3. b. From which marginalized/vulnerable groups do you procure?

Not Applicable

LI-3. c. What percentage of total procurement (by value) does it constitute?

Not Applicable

LI-4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

Sr. No.	Intellectual property based on traditional knowledge	Owned/Acquired (Yes/No)	Benefit shared (Yes/No)	Basis of calculating benefit share
-	-	-	-	-

LI-5. Details of corrective actions taken or underway, based on any adverse order in intellectual property-related disputes wherein usage of traditional knowledge is involved.

Sr. No.	Name of authority	Brief of the case	Corrective action taken
-	-	-	-

LI-6. Details of beneficiaries of CSR Projects:

Sr. no.	CSR project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	Too Shy to Ask	1, 00, 000	100%
2	MedEngage	308	20%
3	Preventative Healthcare	4, 00, 000	100%

PRINCIPLE 9

Businesses should engage with and provide value to their consumers in a responsible manner.

Essential Indicators

EI-1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

Customers can register complaints through the Company's website, www.metropolisindia.com, a dedicated email address (support@metropolisindia.com), a call center, and patient service centers. All the complaints are lodged in the Service CRM, resolved, and communicated to the customers. Documentation of RCA (root cause analysis) and CAPA (corrective action and preventive action) is done as well in the CRM application.

EI-2. Turnover of products and/services as a percentage of turnover from all products/service that carry information about:

Category	As a percentage to total turnover
Environmental and social parameters relevant to the product	-
Safe and responsible usage	-
Recycling and/or safe disposal	-

Business Responsibility & Sustainability Report (Contd.)

EI-3. Number of consumer complaints in respect of the following:

Category	FY 2023-24			FY 2022-23		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	-	-	-	-	-	-
Advertising	-	-	-	-	-	-
Cyber-security	-	-	-	-	-	-
Delivery of essential services	40,543	0	-	16,181	0	-
Restrictive trade practices	-	-	-	-	-	-
Unfair trade practices	-	-	-	-	-	-
Other	-	-	-	-	-	-

EI-4. Details of instances of product recalls on account of safety issues:

Category	Number	Reasons for recall
Voluntary recalls	-	Not Applicable
Forced recalls	-	Not Applicable

EI-5. Does the entity have a framework/policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Yes. The Company has a policy on cybersecurity, and the link to the same is mentioned below:

<https://www.metropolisindia.com/newdata/Investors/code-of-conduct/Information%20Security%20Policy.pdf>

EI-6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/action taken by regulatory authorities on safety of products/services.

There are no such cases which were received during the financial year.

EI-7. Provide the following information relating to data breaches:**a. Number of instances of data breaches along with impact.**

None.

b. Percentage of data breaches involving personally identifiable information of customers

Not Applicable.

c. Impact, if any, of the data breaches

Not Applicable.

Leadership Indicators**LI-1. Channels/platforms where information on products and services of the entity can be accessed (provide web link, if available).**

The Company's services are accessible through multiple channels, including its official website (www.metropolisindia.com), patient mobile app, customer care number, official WhatsApp, or by visiting the nearest Metropolis patient service center.

LI-2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

All of the Company's centers display banners promoting the prudent and safe use of its services. Additionally, for the benefit of consumers, the Company regularly posts videos on sample collection procedures, relevant information, and the importance of various diagnostic tests for all age groups on its YouTube channel.

LI-3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

Effective communication processes are established and operational.

Business Responsibility & Sustainability Report (Contd.)

LI-4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products/services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

Metropolis employs a 'Net Promoter Score' survey to evaluate customer experience with the Metropolis brand. This metric measures customer loyalty and satisfaction, guiding improvements in services and processes. Currently, Metropolis boasts a Net Promoter Score of 87. Additionally, patients are encouraged to rate their experience at Metropolis collection centers via the Google rating system, where the current rating stands at 4.8.

BOARDS' REPORT

Dear Members,

It is our pleasure in presenting the 24th Annual Report on the business and operations of Metropolis Healthcare Limited (the "Company" or "Metropolis"), along with the Audited Financial Statements for the financial year ended March 31, 2024.

A. FINANCIAL RESULTS AND STATE OF COMPANY AFFAIRS

Financial Highlights

The key highlights of the Audited Standalone and Consolidated Financial Statements of the Company for the financial year ended March 31, 2024 in comparison with the previous financial year ended March 31, 2023 are summarized below:

(INR in Lakhs)

Particulars	Standalone		Consolidated	
	FY 2023-24	FY 2022-23	FY 2023-24	FY 2022-23
Revenue from Operations	1,10,342.54	1,06,604.07	1,20,770.88	1,14,821.02
Other income	1,199.67	2,128.26	911.70	1,522.46
Total Revenue	1,11,542.21	1,08,732.33	1,21,682.58	1,16,343.48
Less: Total expenses	95,801.30	90,837.81	1,04,213.69	97,593.14
Profit before exceptional items and tax	15,740.91	17,894.52	17,468.89	18,750.34
Exceptional items	-	-	-	-
Profit before share of profit for equity accounted investees and tax	15,740.91	17,894.52	17,468.89	18,750.34
Share of loss for equity accounted investees (net of tax)	-	-	-	-
Profit Before Tax	15,740.91	17,894.52	17,468.89	18,750.34
Less: Tax Expenses	4,151.93	3,999.79	4,623.33	4,410.94
Profit after Tax	11,588.98	13,894.73	12,845.56	14,339.40
Basic Earning per share of face value of INR 2/- each	22.63	27.14	24.95	27.91
Diluted Earning per share of face value of INR 2/- each	22.55	27.05	24.87	27.81

Note: The standalone and consolidated financial statements of the Company for the financial year ended March 31, 2024, have been prepared in accordance with the Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs and as amended from time to time.

Operational Performance & Future Outlook

During the year under review, the Standalone income of your Company increased to INR 1,11,542.21 Lakhs compared to INR 1,08,732.33 Lakhs in the previous year, registering an increase of INR 2,809.88 Lakhs. The Standalone profit after tax for the year decreased to INR 11,588.98 Lakhs as compared to INR 13,894.73 Lakhs in the previous year, registering a decrease of INR 2,305.75 Lakhs.

Further, the consolidated income of the Group increased to INR 1,21,682.58 Lakhs compared to INR 1,16,343.48 Lakhs in the previous year, registering an increase of INR 5,339.09 Lakhs. The consolidated profit after tax for the group decreased to INR 12,845.56 Lakhs as compared to INR 14,339.40 Lakhs in the previous year, registering a decrease of INR 1,493.84 Lakhs.

The operating and financial performance of your Company has been covered in the Management Discussion and Analysis Report, which forms a part of the Annual Report.

Dividend

Pursuant to Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("**SEBI Listing Regulations**"), the Board of Directors of the Company has approved and adopted the Dividend Distribution Policy of the Company. The policy sets out the parameters and circumstances which Board may consider for recommendation and/or distribution of dividend to its shareholders and/or the utilization of the retained earnings of the Company. The Policy is available on the website of the Company at <https://www.metropolisindia.com/newdata/Investors/code-of-conduct/MHL-Dividend-Distribution-Policy.pdf>

In line with the Policy, the Board of Directors at its meeting held on November 04, 2023, declared an Interim Dividend of INR 4/- (Indian Rupees Four Only) per equity share of face value of INR 2/- (Indian Rupees Two Only) each (i.e. 200%) on 5,12,23,594 (Five Crores Twelve Lakhs Twenty-Three Thousand Five

BOARDS' REPORT (Contd.)

Hundred and Ninety-Four) fully-paid up equity shares aggregating to total outflow of INR 20,48,94,376/- (Indian Rupees Twenty Crores Forty-Eight Lakhs Ninety-Four Thousand Three Hundred and Seventy-Six Only). The Interim Dividend was paid to those shareholders whose names appeared in the Register of Members as on the record date, i.e. November 17, 2023. In order to conserve the resources for business requirements, your Board of Directors do not recommend a final dividend for the financial year 2023-24.

Transfer to Reserve

There has been no transfer to general reserves for the financial year 2023-24.

Capital Structure

During the year under review, your Company allotted 16,197 equity shares of face value INR 2/- each under the Metropolis Healthcare Limited - Restrictive Stock Unit Plan, 2020 to the eligible employees of the Company/Subsidiaries. Consequent to allotment, the paid-up equity share capital of the Company was increased from INR 10,24,21,328/- (Indian Rupees Ten Crores Twenty-Four Lakhs Twenty One Thousand Three Hundred and Twenty Eight Only) to INR 10,24,53,722/- (Indian Rupees Ten Crores Twenty-Four Lakhs Fifty Three Thousand Seven Hundred and Twenty-Two Only) consisting of 5,12,26,861 equity shares of INR 2/- (Indian Rupees Two Only) each.

Employee Stock Option Plan

Your Company has Metropolis Employee Stock Option Scheme 2015 ("MESOS 2015") and Metropolis Healthcare Limited - Restricted Stock Units Plan 2020 ("MHL-RSU Plan 2020") in order to retain, attract, motivate and incentivise the talent pool. The Nomination and Remuneration Committee of the Company administers and monitors these plans in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("**SEBI SBEB & SE Regulations**").

The details of MESOS 2015 and MHL-RSU Plan 2020 are annexed to this report as '**Annexure 1**' and are also available on the website of the Company at <https://www.metropolisindia.com/newdata/Investors/Annual%20Reports/23-24/Details%20of%20MESOS%202015%20and%20MHL-RSU%20Plan%202020.pdf>.

Considering talent retention and in order to align the employees with the long-term interests of the Company, the Board of Directors at their meeting

held on May 21, 2024, approved revision in lock-in & vesting criteria and expanded the pool size of RSUs under the MHL-RSU Plan, 2020 by way of the addition of 1,50,000 (One Lakh Fifty Thousand) RSUs, subject to approval of the shareholders at the ensuing Annual General Meeting ("AGM"). No employee was issued stock options during the year equal to or exceeding 1% of the issued capital of the Company at the time of grant.

The Company has received a certificate from the Secretarial Auditor confirming that the plans are implemented in line with the SEBI SBEB & SE Regulations which will be available for inspection at the ensuing AGM of the Company.

Particulars of Loans, Guarantees and Investments

Pursuant to Section 186 of the Companies Act, 2013 and Schedule V of the SEBI Listing Regulations, disclosure on particulars relating to Loans, Guarantees and Investments are provided in note no. 49(a) of the financial statements.

Material changes and commitments affecting the financial position

There have been no material changes and commitments, affecting the financial position of your Company which have occurred between the end of the financial year of the Company to which the financial statements relate and till the date of this Report.

Subsidiary, Joint Ventures and Associate Companies

As on March 31, 2024, your Company has 4 (four) domestic subsidiaries and 7 (seven) overseas subsidiaries (including five stepdown overseas subsidiaries).

In accordance with Section 129(3) of the Companies Act, 2013, a statement containing the salient features of the financial statements of your Company's subsidiaries in Form AOC – 1 is annexed as '**Annexure 2**' to this report. The statement also provides details of performance and financial position of each of the subsidiaries. There has been no material change in the nature of the business of the subsidiaries. The Audited Financial Statements of the subsidiaries is also available on the website of the Company at <https://www.metropolisindia.com/investors>

Further, your Company has formulated a Policy for determining Material Subsidiaries ('**Policy on Material Subsidiary**') which is available on the website of the Company at https://www.metropolisindia.com/newdata/Investors/Disclosures%20under%20Regulation%2046%20of%20LODR/9+MHL_Policy+for+determination+of+Material+Subsidiary.pdf. However, based on the evaluation parameters provided in the Policy on Material Subsidiary, your Company does not have any Material Subsidiary as on March 31, 2024.

BOARDS' REPORT (Contd.)

B. CORPORATE GOVERNANCE

Your Company believes in adopting the best practices of corporate governance as it is the foundation upon which an organization is built. Keeping in view the above, we have rolled out robust corporate governance structure and policies which compliments each other and continue to steer the Company through headwinds.

Report on Corporate Governance and a certificate by the Secretarial Auditors of the Company regarding compliance with Corporate Governance as stipulated in Regulation 34 read with Part C of Schedule V of the SEBI Listing Regulations, are provided in a separate section and forms part of the Annual Report of the Company.

Board of Directors

Your Board of Directors consist of distinguished professionals from different background, skills, experience and expertise which contribute to overall Board effectiveness.

As on March 31, 2024, the Board of your Company consists of 7 (seven) Directors, of which 5 (five) are Non-Executive Directors [Including 4 (four) Independent Directors] and 2 (two) are Executive Directors. The constitution of the Board of your Company is in accordance with Section 149 of the Act and Regulation 17 of the SEBI Listing Regulations.

During the year under review, Mr. Subramanian Ranganathan was appointed as an Independent Director of the Company for a term of 5 (five) consecutive years w.e.f. August 21, 2023. Mr. Vivek Gambhir and Mr. Sanjay Bhatnagar, Independent Directors were re-appointed for a second term of 5 (five) consecutive years w.e.f. September 07, 2023. Mr. Milind Sarwate completed his term of 5 (five) years as an Independent Director of the Company on September 06, 2023.

Further, the Board has appointed Dr. Sushil Shah as Chairman Emeritus w.e.f. May 22, 2024. The Board of Directors in their meeting held on May 21, 2024, subject to shareholders approval, had approved: (i) re-designation of Dr. Sushil Shah from the Whole-Time Director to Non- Executive Director, effective upon shareholders' approval to ensure a smooth leadership transition (ii) re-designation of Ms. Ameera Shah from Managing Director to Chairperson & Whole-Time Director, w.e.f. May 22, 2024 until the end of her current term on March 17, 2026, to facilitate seamless transition; (iii) appointment of Dr. Aparna Rajadhyaksha as an Additional Director in the capacity of Non-Executive Non-Independent Director, w.e.f. May 22, 2024.

Dr. Sushil Shah, being the longest in the office, is liable to retire by rotation and being eligible, he has offered himself for re-appointment at the ensuing 24th AGM of your Company.

Based on the written representations received from the Directors, none of the above-mentioned Directors are disqualified under Section 164 of the Act and are also not debarred by SEBI or any other statutory authority for holding office as a Director. Pursuant to Regulation 36 of the SEBI Listing Regulations read with Secretarial Standard – 2 on General Meetings, a brief profile of Directors proposed to be appointed and reappointed is provided as Annexure to the Notice of the 24th AGM.

In the opinion of the Board, all Directors possess requisite qualifications, experience, expertise and hold high standards of integrity.

The Managing Director and Whole-Time Director have not received any remuneration or sitting fees from the Subsidiary Companies.

Declaration by Independent Directors

Your Company has received the declarations from the Independent Directors confirming that they (i) continue to meet the criteria of independence as prescribed under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations and are independent; and (ii) continue to comply with the Code of Conduct laid down under Schedule IV of the Act. There has been no change in the circumstances affecting their status as Independent Directors of the Company.

Familiarization Programme

Pursuant to the SEBI Listing Regulations, the Company has developed a Familiarization Programme for the Independent Directors, with a view to familiarize them with their role, rights, and responsibilities in the Company, the nature of the industry in which the Company operates, its business plans, business model, corporate strategy, services, the governance structure, policies, processes etc. The Directors are also periodically informed about the financial performance, annual budgets, internal control system, statutory compliances, the Company's vision, core values; ethics, and corporate governance practices. Details of the Familiarization Programme of Independent Directors of the Company are available on the website of the Company at https://www.metropolisindia.com/newdata/Investors/code-of-conduct/MHL_Familiarization-Programme-for-Independent-Directors.pdf

BOARDS' REPORT (Contd.)

Board Evaluation

The Nomination and Remuneration Committee has formulated a strong framework for annual evaluation of the Board, its Committees, individual Directors including the Chairperson, Executive Directors, Non-Executive Directors and Independent Directors of the Company.

A structured questionnaire covering various aspects such as the composition, quality and performance of the Board, meetings and procedures, contribution to Board processes, participation in the Board meeting, attendance, effectiveness of the functions allocated, relationship with Management, professional development, adequacy, appropriateness, and timeliness of information etc. was circulated to all the Directors.

A summarized report of the feedback given by the Directors was prepared and presented to the Board and Nomination and Remuneration Committee. The Board expressed their satisfaction with the evaluation process.

In terms of the requirements of the Schedule IV of the read with Regulation 25(4) of SEBI Listing Regulations a separate meeting of Independent Directors of the Company was held on March 18, 2024 to review the:

- a) performance of Non-Independent Directors (including the Chairperson);
- b) performance of the Board as a whole and its Committees thereof, taking into views of Executive and Non-Executive Directors; and
- c) quality, quantity, and timeliness of the flow of information between the Management and the Board.

Meetings of the Board

During the year under review, the Board of Directors met 6 (six) times, these meetings were held on May 16, 2023, June 19, 2023, August 02, 2023, November 04, 2023, February 02, 2024 and March 18, 2024. The intervening gap between the Meetings was within the period prescribed under the Act and the SEBI Listing Regulations. As a process, the agendas' along with notice are sent well in advance or with the permission of Directors at a shorter notice. The Board is provided with a detailed background and rationale of the proposal so as to provide them adequate information to take an informed decision. The Board also interacts with senior management and if required with external consultant in case of clarification.

Directors' Responsibility Statement

Pursuant to Section 134(5) of the Act, the Board of Directors, to the best of their knowledge and ability

and based on the representation of the Management, confirm that the Directors have:

- (a) in the preparation of the Annual Accounts, the applicable accounting standards followed along with proper explanation relating to material departures;
- (b) selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- (c) taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) prepared the Annual Accounts on a going concern basis;
- (e) laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (f) devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Committees of the Board

The Board of Directors of your Company have formed various committees as per provisions of the Act and the SEBI Listing Regulations. The details with respect to the composition, powers, roles, terms of reference, etc. of the committees are given in the Corporate Governance Report which is presented in a separate section and forms part of the Annual Report of the Company.

Key Managerial Personnel

As per the provisions of Section 203 of the Act, the Key Managerial Personnel of the Company as on March 31, 2024 were as under:

1. Dr. Sushil Shah, Chairman & Executive Director
2. Ms. Ameera Shah, Managing Director
3. Mr. Surendran Chemmenkotil, Chief Executive Officer
4. Mr. Rakesh Kumar Agarwal, Chief Financial Officer
5. Mr. Kamlesh Kulkarni, Head – Legal & Secretarial

BOARDS' REPORT (Contd.)

During the financial year under review, Ms. Neha Shah was appointed as Interim Company Secretary of the Company w.e.f. June 20, 2023 and stepped down from the said position w.e.f. February 03, 2024. Mr. Kamlesh Kulkarni was appointed as Company Secretary & Compliance Officer of the Company, designated as Head – Legal & Secretarial w.e.f. February 03, 2024.

C. AUDITORS AND REPORTS

Statutory Auditors

M/s. BSR & Co. LLP, Chartered Accountants (ICAI Firm No. 101248W/W-100022), were re-appointed as the Statutory Auditors of the Company in the 22nd AGM held on August 17, 2022 to hold office till the conclusion of the 26th AGM of the Company to be held in the financial year 2026-27. The Auditors Report for the financial year ended March 31, 2024, does not contain any qualification, reservation or adverse remark.

Secretarial Auditors

Pursuant to Section 204 read with Section 134(3) of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors had appointed M/s. Manish Ghia & Associates, Practising Company Secretaries, Mumbai, to undertake the Secretarial Audit of the Company for the financial year ended March 31, 2024. The Secretarial Audit Report in Form No. MR-3 is annexed as '**Annexure 3**' to this report.

There is no qualification, reservation, adverse remark or disclaimer made by the Secretarial Auditors in their Report.

Cost Auditors

Pursuant to the provisions of Section 148 of the Act, the Company is required to maintain cost records and have the audit of its cost records conducted by a Cost Accountant. Cost records are prepared and maintained by the Company as required under Section 148(1) of the Act.

M/s. Joshi Apte & Associates (Registration No. 00240), were appointed as the Cost Auditor to conduct the audit of the Company's cost records for the financial year ended March 31, 2024. The Company maintains the cost records as per the provisions of Section 148(1) of the Act. There were no qualifications in the report submitted by Cost Auditors in the financial year 2023-24.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, since the remuneration to be paid to the

Cost Auditor for financial year 2024-25 is required to be ratified by the members, the Board of Directors recommends the same for ratification at the ensuing AGM. The proposal forms a part of the notice of the AGM.

Internal Auditor

Pursuant to the provisions of Section 138 of the Act and the Companies (Accounts) Rules, 2014, M/s. Suresh Surana & Associates LLP, was appointed by the Board of Directors to conduct internal audit reviews of the Company.

The Company has a robust internal audit system for assessment of audit findings and its mitigation. The Internal Audit function covers all the areas such as policies, processes, internal controls, compliance, inventory, stock, project specific, corporate accounts, taxation, etc.

The audit is based on predefined plan as presented and approved by the Audit Committee. A summary of the audit observations, along with management actions, impact etc. is presented to the Audit Committee on a quarterly basis. The corrective actions are taken by the management as per defined plan approved by the Audit Committee. With the systems and practice hereinabove, we believe that your Company's internal controls are commensurate with the size and operations of the business.

D. POLICIES AND OTHERS

Risk Management

The Company has adopted a strong governance structure to deal with any risk associated with business or industry in which the Company operates. This includes, constitution of Risk Management Committee and formulating a comprehensive Risk Management Policy benchmarked to the global standards.

The Risk Management Policy is available on the website of the Company at https://www.metropolisindia.com/newdata/Investors/code-conduct/MHL_Risk-Management-Policy.pdf

Cyber Security

Trusted to be a very strong pathology specialist in the Indian diagnostic space, the systems and services form part of a complex ecosystem that work cohesively to provide critical healthcare services. To deliver these services, your Company utilizes a mixture of Technology, Process and Personal controls. We have formulated and rolled out comprehensive Policies, Procedures, and IT controls to build a strong framework of Information Security Management

BOARDS' REPORT (Contd.)

System across the organization. This framework governs all aspects of cyber security, viz., monitor, protect, respond, incident management, mitigation, and sustenance of your Company business operations covering all critical systems, information and services provided across the organization in compliance with all the applicable laws.

Related Party Transactions

Your Company has developed a governance structure for approving and monitoring the transactions with the related parties. A process is rolled out where all the related parties are identified, and a list of related parties is prepared to ensure that no transactions with related parties are entered without prior approval of the Audit Committee. Additionally, all the transactions with the related parties are reviewed by the Audit Committee and the Board on a quarterly basis. The Audit Committee also seeks for external certification, if required to ensure that the transactions are at an arm's length and in ordinary course of business. Omnibus approval of Audit Committee is taken for transactions which are regular and routine in nature as per the criteria approved by the Board and special or event based transactions are approved separately by the Audit Committee in line with Related Party Transaction Policy of the Company in compliance with the SEBI Listing Regulations and the Act which is available at https://www.metropolisindia.com/newdata/Investors/Disclosures%20under%20Regulation%2046%20of%20LODR/MHL_RPT%20Policy%20V2_final_for%20uploading.pdf.

There were no materially significant Related Party Transactions made by the Company with its Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

Further, since the transactions with the related parties were in the ordinary course of business and at arm's length pricing and not material in accordance with the Related Party Transactions Policy, the particulars of such transactions with the related parties are not required to be reported by the Company in Form AOC-2.

The shareholders may refer to note no. 40 to the financial statements, which set out Related Party Disclosures.

Nomination and Remuneration Policy

Your Company recognizes the importance of having a diverse board and senior management and key managerial personnel from different backgrounds, experience and expertise and the value they bring in for an organizational growth.

Therefore, the Board has formulated Nomination and Remuneration Policy which provides for standardized process for selection, identifying attributes and payment of remuneration to Directors, Key Managerial Personnel and Senior Management. The brief on the policy of nomination and remuneration and other matters provided in Section 178(3) of the Act read with Regulation 19 of the SEBI Listing Regulations have been disclosed in the Corporate Governance Report, which forms part of the Annual Report of the Company. The Nomination and Remuneration Policy is also available on the website of the Company at <https://www.metropolisindia.com/newdata/Investors/code-of-conduct/Nomination-and-Remuneration-Policy-24.pdf>

Vigil Mechanism

Your Company has institutionalised the vigil mechanism by rolling out strong and comprehensive Whistle-blower Policy in accordance with Section 177 of the Act and the SEBI Listing Regulations. The Policy provides for method and process for employees and stakeholders to voice their genuine concerns about unethical conduct that may be actual or threatened breach with the Company's Code of Conduct without fear of being reprimanded. The brief on Policy is also provided in the Report on Corporate Governance, which forms part of this Annual Report. The Policy is available on the website of the Company at <https://www.metropolisindia.com/newdata/Investors/code-of-conduct/Whistle-Blower-Policy-24.pdf>

During the year under review, the Company received a whistleblower complaint regarding accounting adjustments in the debtors' accounts. This incident was a one off and a deviation from the standard accounting policies and internal processes defined by the Company. In response, a third-party audit was conducted and the findings were reported to the Audit Committee. Simultaneously, the statutory auditor, in accordance with Section 143(12), reported the details of this incident. The Company took immediate actions against the employee. While no misappropriation of funds occurred, the Company initiated several measures to safeguard the interest of the stakeholder. The necessary reporting was made to the Exchanges. The Audit Committee of the Company in its subsequent meetings took note of the update on such control mechanism by way of action taken report. The Company ensures strong vigil mechanism to follow the code of conduct of the Company.

Code for Prevention of Insider Trading

Your Company has adopted a Code of Fair Disclosure of Unpublished Price Sensitive Information to regulate,

BOARDS' REPORT (Contd.)

monitor and report trading by designated persons and their immediate relatives as per the requirements under the SEBI (Prohibition of Insider Trading) Regulations, 2015. The Code, inter alia, lays down the procedures to be followed by designated persons while trading/dealing in Company's shares and sharing Unpublished Price Sensitive Information ("UPSI"). The Code covers Company's obligation to maintain a digital database, mechanism for prevention of insider trading and handling of UPSI, and the process to familiarize with the sensitivity of UPSI. Further, it also includes code for practices and procedures for fair disclosure of unpublished price sensitive information which has been made available on the website of the Company at <https://www.metropolisindia.com/newdata/Investors/code-of-conduct/MHL-Code-of-Conduct-for-PIT-13-09-2021.pdf>

Corporate Social Responsibility (CSR)

In compliance with the requirements of Section 135 of the Act read with the Companies (Corporate Social Responsibility) Rules, 2014, the Board has constituted a CSR Committee. The Board of Directors of the Company at their meeting held on February 02, 2024, approved the change of the Committee's terms of reference, roles responsibilities, and nomenclature from the 'Corporate Social Responsibility Committee' to the 'Corporate Social Responsibility and Environmental, Social & Governance Committee' 'Corporate Social Responsibility and Environmental, Social & Governance Committee' (CSR & ESG) to broaden the horizon of the Committee and to align it with the Environmental, Social & Governance (ESG) norms. By expanding the Committee's focus to include ESG, the Company aims to broaden the scope of the Company's initiatives to include not only social responsibility but also environmental sustainability and governance best practices, to align with stakeholder expectations and to further demonstrates the Company's commitment to integrating sustainability and governance into its core business strategy, thereby fostering a positive impact on society, and the environment, while ensuring sustainable growth and success.

The CSR & ESG Policy of the Company as approved by the Board, based on the recommendation of the CSR & ESG Committee is available on the website of the Company at https://www.metropolisindia.com/newdata/Investors/CSR/MHL-Revised+CSR+policy_wef+May+27-2021.pdf

The complete details on the CSR activities in Annual Report on CSR are annexed as '**Annexure 4**' to the Boards' Report.

Internal Financial Control and their Adequacy

The Board of your Company has laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively. Your Company has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial disclosures.

Further, the members of the Audit Committee on regular basis communicates with the Statutory Auditors, Internal Auditors and management to deal with the matters within their terms of reference. Effectiveness of internal financial controls is ensured through interaction by the Audit committee with management reviews, controlled self-assessment and independent testing by the Internal Audit Team. The Statutory and Internal auditors have confirmed that there was no internal control weakness during the financial year 2023-24.

Media rumours and Clarification

During the year under review, your Company observed media rumours regarding alleged fraud in 'the Aam Aadmi Mohalla Clinic Project' indicating the use of diagnostic and pathology tests for ghost patients with non-existent or false mobile numbers.

On January 15, 2024, the Company clarified in a stock exchange intimation that its role was limited to testing samples and issuing reports, while patient interaction and sample collection were the responsibilities of the Mohalla clinic. The Company has conducted due diligence through a reputed third-party agency and the report found no merit in the matter.

Particulars of Employees

The disclosure pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed to this Report as '**Annexure 5**'.

The statement containing the names of top ten employees in terms of remuneration drawn and the particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is available for inspection and any shareholder interested in obtaining a copy of the same may write to the Company at secretarial@metropolisindia.com

BOARDS' REPORT (Contd.)

Business Responsibility and Sustainability Report

Business Responsibility and Sustainability Report as per Regulation 34(2)(f) of SEBI Listing Regulations is applicable to the Company.

The Business Responsibility and Sustainability Report for the financial year ended March 31, 2024, is presented in a separate section and forms part of the Annual Report of the Company.

Management Discussion and Analysis Report

The Management Discussion and Analysis Report (MD & A Report) for the year under review, as stipulated under Regulation 34 of the SEBI Listing Regulations, is presented in a separate section and forms part of the Annual Report of the Company.

The MD & A Report provides a consolidated perspective of economic, social and environmental aspects material to your Company's strategy and its ability to create and sustain value to its key stakeholders and includes aspects of reporting as required by Regulation 34 of SEBI Listing Regulations on Business Responsibility and Sustainability Report.

Statutory Disclosures

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo pursuant to Section 134(3)(m) of the Act read with the Rule 8(3) of The Companies (Accounts) Rules, 2014 is as follows:

A. CONSERVATION OF ENERGY

- i) Steps taken or impact on conservation of energy

Your Company accords highest priority to energy conservation and is committed to energy conservation measures, including regular review of energy consumption and effective control of utilization of energy. The Company has designed its facilities keeping in view the objective of minimum energy loss. The Company has taken all steps to conserve Energy in the work place by educating and training the employees to conserve energy.

Installed 5 star rated inverter based R32 refrigerant operated air conditioning systems across the large operations of the Company, which helps in conserving energy and Ozone layer Across the locations power factor upto 0.99 is maintained at all major

locations to achieve the efficiency of energy.

As part of ECM measures, LED lights and energy saving devices are installed across Labs/ PSC locations. Thus supporting the Go-green environment and reducing the carbon footprints.

Automatic Main Failure panels for Diesel Generators are installed in all major Labs.

Third party power purchase has been done from Renewable energy sources for major labs. Scheduling has been done for HVAC operations at Offices.

- ii) Steps taken by the Company for utilizing alternate sources of energy

The Company, being in the service industry, does not have any power generation units and did not produce/generate any renewable or conventional power.

- iii) Capital investment on energy conservation equipment

The Capital investment on energy conservation equipment is insignificant.

B. TECHNOLOGY ABSORPTION

- i) Efforts made towards technology absorption

The Company has invested in technology in the financial year 2023-24 to create a secure, scalable, and robust tech stack.

During the year under review, the Company prioritized enhancing its technological stack for greater security, scalability, flexibility and robustness. Efforts included implementing tools for rapid application development, optimizing sales and customer engagement processes, integrating customer data for better insights, and improving data management and communication efficiency across various systems

Here's an overview:

- Low-Code Platform to enable rapid development and deployment of custom applications, reducing time to market and allowing agile responses to business needs. It helped a lot to create scalable solutions without extensive coding.

BOARDS' REPORT (Contd.)

- Salesforce Clouds:
 - Improves sales processes with tools for lead management, opportunity tracking, and sales forecasting, enhancing productivity.
 - Provides personalized customer service, ensuring quick issue resolution.
 - Manages personalized marketing campaigns across various channels with advanced analytics and segmentation capabilities.
 - Enhances collaboration among customers, partners, and employees, improving satisfaction with necessary tools and information with community cloud.
- Customer Data Platform to Integrate data from multiple sources and create a comprehensive view of each customer, enabling personalized experiences and data-driven decisions.
- Middleware Platforms:
 - MuleSoft: Ensures seamless data flow and operational efficiency by connecting systems and supporting rapid API development and deployment.
 - Roche Infinity: Manages laboratory and diagnostic data, ensuring accurate collection, processing, and reporting for precise diagnostic results.
- ii) Benefits derived from technology absorption
Technology absorption has helped the Company to provide better and more accurate service to the Customers. The benefits including enhanced operational efficiency, improved customer experiences, data-driven insights, scalability and flexibility, compliance and security, AI enablement, etc. driving growth and success in a dynamic market.
- iii) Details of Imported technology (last three years)
Details of technology imported : Nil
Year of Import : N.A.

Whether technology being fully absorbed : N.A.

If not fully absorbed, areas where absorption has not taken place and reasons thereof : N.A.

- iv) Expenditure incurred on Research and development : Nil

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

- i) Foreign Exchange inflow : INR 3,633.65 Lakhs
- ii) Foreign Exchange outflow : INR 741.02 Lakhs

Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Your Company has adopted a policy on prevention, prohibition and redressal of sexual harassment at the workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed thereunder. The Company has an Internal Complaints Committee, providing a redressal mechanism pertaining to sexual harassment of women employees at the workplace, the details of which are given in the Corporate Governance Report. During the year under review, no complaint was received and one complaint of previous financial year was resolved by the Company.

Compliance with Secretarial Standards

Your Company has devised proper systems to ensure compliance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India. Further, during the year under review, the Company has complied with all the applicable provisions, laws and secretarial standards.

Annual Return

The Annual Return in Form MGT-7 as required under Section 92(3) read with Section 134(3)(a) of the Act and the Companies (Management and Administration) Rules, 2014 is available on the website of the Company at <https://www.metropolisindia.com/newdata/Investors/Annual%20Reports/23-24/Form%20MGT-7.pdf>.

Other Disclosures

- There was no change in the nature of the business or any activity of business of your Company.
- Your Company has not accepted/invited deposits from the public falling within the ambit of Section 73 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 and has not taken any loan from the Promoter Directors.

BOARDS' REPORT (Contd.)

- There were no proceedings, either filed by your Company or against the Company, pending under the Insolvency and Bankruptcy Code, 2016 as amended, before the National Company Law Tribunal or other Courts as on March 31, 2024.
- No significant and material orders were passed by the Regulators or Courts or Tribunals impacting the going concern status and the Company's operations in the future.
- Your Company has not issued shares with differential voting rights and sweat equity shares during the year under review.
- There were no instances where your Company required the valuation for one time settlement or while taking the loan from the Banks or Financial institutions.

Place: Mumbai
Date: May 21, 2024

Cautionary Statement

The statements in this Report, particularly those which relate to Management Discussion and Analysis as explained in a separate Section in this Report, describing the Company's objectives, projections, estimates, and expectations may constitute 'forward-looking statements' within the meaning of applicable laws and regulations. Actual results might differ materially from those either expressed or implied in the statement, depending on the circumstances.

Appreciations

Your Directors acknowledge the valuable contribution of all its employees at all levels in the continuous growth of the Company and making it a dominant player in the market. The Directors would also like to thank and place on record appreciation to the Company's Stakeholders for their continued co-operation and support in the Company's growth and its operations.

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS OF
METROPOLIS HEALTHCARE LIMITED**

Sd/-

Dr. Sushil Shah

Chairman & Executive Director

DIN: 00179918

ANNEXURE 1

DISCLOSURE PURSUANT TO THE PROVISIONS OF THE SEBI (SHARE BASED EMPLOYEE BENEFITS AND SWEAT EQUITY) REGULATIONS, 2021 AS ON MARCH 31, 2024

DESCRIPTION OF ESOP SCHEMES:

The Company views Employee Stock Options as instruments that would enable the Employees to share the value they would create and contribute to the Company in the years to come.

The Company has framed and implemented the Metropolis Employee Stock Option Scheme 2015 ("MESOS 2015") as well as Metropolis – Restricted Stock Unit Plan – 2020 ("RSU 2020") for eligible employees. In terms of the said schemes, options to the employees have vested and shall continue to vest as given in the below table under point no. C.

STATEMENT AS AT MARCH 31, 2024, PURSUANT TO REGULATION 14 OF THE SEBI (SHARE BASED EMPLOYEE BENEFITS AND SWEAT EQUITY) REGULATIONS, 2021:

A. Relevant disclosures in terms of the 'Guidance note on accounting for employee share-based payments' issued by Institute of Chartered Accountants of India ("ICAI") or any other relevant accounting standards as prescribed from time to time:

The disclosures are provided in the Note No. 46C to the Financial Statements of the Company for the year ended March 31, 2024.

B. Diluted EPS on issue of shares pursuant to all the schemes covered under the regulations, in accordance with 'Indian Accounting Standard 33 – Earnings per Share' issued by ICAI or any other relevant accounting standards as prescribed from time to time:

22.55

C. Details related to ESOP / RSU:

Sr. No.	Particulars	MESOS 2015	RSU 2020
(i)	Description of each ESOP /RSU that existed during the year, including the general terms and conditions:		
1	Date of Shareholders' approval	<ul style="list-style-type: none"> • March 28, 2015 • September 18, 2017 • February 28, 2018 • September 10, 2018 • September 14, 2018 	<ul style="list-style-type: none"> • April 06, 2020 • August 17, 2022
2	Total number of options / units approved under ESOP / RSU	12,21,324 options	3,70,000 units
3	Vesting requirements	<ul style="list-style-type: none"> i) Options granted to existing employees (person who is in continuous employment with the Company since January 01, 2016 or prior thereto) shall vest as below: <ul style="list-style-type: none"> a) 50% - on January 01, 2018; b) 25% -on January 01, 2019 and; c) 25% on January 01, 2020. ii) Options granted to New employees (person who is in continuous employment with the Company after January 01, 2016) shall vest as below: <ul style="list-style-type: none"> a) 50% of grant on completion of 2 years from date of joining; b) 25% of grant on completion of 3 years from date of joining; and c) 25% of grant on completion of 4 years from date of joining. 	The RSUs would vest not earlier than 1 year and not later than 4 years from the date of grant of RSUs. However, the above is subject to the attainment of the performance parameters, the relative weight of which shall be determined by the Nomination and Remuneration Committee ("NRC") as per the criteria mentioned in the RSU 2020.

ANNEXURE 1 (Contd.)

Sr. No.	Particulars	MESOS 2015	RSU 2020
4	Exercise price or pricing formula	705.77 per option [#]	The NRC may decide the exercise price at the time of each grant which may be at discount to the fair market value/ or the market value but shall not be less than the face value of shares, except for bonus awards/ options.
5	Maximum term of options / units granted (Years)	The exercising period will commence from the date of vesting to the Grantee. Accordingly, the maximum term of Options will be 4 (four) years from the date of vesting.	5 years
6	Source of shares	Primary	Primary
7	Variation in terms of options / units	There was no variation in terms of options outstanding during the financial year 2023-24.	There was no variation in terms of units outstanding during the financial year 2023-24.
(ii)	Method used to account for ESOP / RSU:	Fair value	Fair Value
(iii)	Movement during the year:		
1	No. of options / units outstanding at the beginning of the period	2,500	1,40,671
2	No. of options / units granted during the year	-	77,666
3	No. of options / units forfeited/ lapsed during the year	-	28,715
4	No. of options / units vested during the year	Nil	18,454
5	No. of options / units exercised during the year	Nil	16,197
6	No. of shares arising as a result of exercise of options / units	2,500	16,197
7	Money realized by exercise of options / units (INR). If scheme is implemented directly by the Company	Nil	INR 32,394/-
8	Loan repaid by the Trust during the year from exercise price received	Not Applicable	Not Applicable
9	No. of options / units outstanding at the end of the year	2,500	1,73,425
10	No. of options / units exercisable at the end of the year	2,500	2,911
(iv)	Weighted-average exercise prices ("WAEP") and weighted-average fair values ("WAFV") of Options / Units:		
1	Where the exercise price is less than the market price	Weighted Average exercise price is INR 705.77 & Weighted Average fair value is INR 1,174.34	Weighted Average exercise price is INR 2 & Weighted Average fair value is INR 1,399.03
2	Where the exercise price equals the market price	Nil	Nil
3	Where the exercise price is more than the market price	Nil	Nil
(v)	Employee wise details of Options / Units granted:		
1	Senior Managerial Personnel	Not Applicable	Refer table below
2	Employees were granted during any one year, options amounting to 5% or more of options granted during that year		Refer table below

ANNEXURE 1 (Contd.)

Sr. No.	Particulars	MESOS 2015	RSU 2020
3	Identified employees who were granted options, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant.		Not Applicable
(vii)	A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:		
1	Weighted-average Values of share price		
	Exercise price	As provided in notes to accounts no. 46C	As provided in notes to accounts no. 46C
	Expected volatility		
	Expected option life		
	Expected dividends		
	The risk-free interest rate		
	Any other inputs to the model		
2	The method used and the assumptions made to incorporate the effects of expected early exercise;	Not Applicable	As provided in notes to accounts no. 46C
3	How expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility;	-	As provided in notes to accounts no. 46C
4	Whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition.	-	As provided in notes to accounts no. 46C

#Post bonus and split during the financial year 2018-19.

Details of RSUs granted to Senior Management Employees during the year:

Sr. No.	Name	Designation	No. of RSUs granted
1	Surendran Chemmenkotil	Chief Executive Officer	68,666

Details of RSUs granted to employees amounting to 5% or more of RSUs granted during the year:

Sr. No.	Name	Designation	No. of RSUs granted
1	Surendran Chemmenkotil	Chief Executive Officer	68,666

**For and on behalf of the Board of Directors
Metropolis Healthcare Limited**

Place: Mumbai
Date: May 21, 2024

Dr. Sushil Shah
Chairman & Executive Director
DIN: 00179918

ANNEXURE 2

ANNEXURE 2: FORM AOC-1
[Pursuant to first proviso to sub-section (3) of Section 129 read with rule 5 of Companies (Accounts) Rules, 2014]
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

PART "A": SUBSIDIARIES

(Information in respect of each subsidiary presented with amounts in Lakhs for the year ended March 31, 2024)

Sr. No.	Name of Subsidiary	Date since when subsidiary was acquired	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Share Capital	Reserves & surplus	Total assets	Total Liabilities	Investments	Turnover/ Op. Income	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend (inclusive tax)	% of share-holding
1	Amin's Pathology Laboratory Private Limited	October 15, 2012	March 31, 2024	INR	10.00	1,211.59	1,703.39	481.80	-	1,179.16	13.75	2.19	11.56	-	100.00%
2	Ekopath Metropolis Lab Services Private Limited	February 14, 2013	March 31, 2024	INR	51.00	699.77	1,009.48	258.71	-	858.17	213.57	53.38	160.19	-	60.00%
3	Centralab Healthcare Services Private Limited	October 22, 2021	March 31, 2024	INR	435.00	364.08	1,156.66	357.58	-	1,737.76	527.09	135.33	391.76	-	100.00%
4	Metropolis Histoxpert Digital Services Private Limited	November 26, 2021	March 31, 2024	INR	300.00	(324.84)	28.12	52.96	-	-	(2.11)	-	(2.11)	-	100.00%
5	Metropolis Healthcare (Mauritius) Limited	September 11, 2012	March 31, 2024	1 USD= INR 83.383(BS) INR 82.667(PL)	125.69	(200.53)	2,169.82	2,244.66	386.67	1,325.14	178.88	6.79	172.09	-	100.00%
6	Metropolis Bramser Lab Services (Mtius) Limited	June 8, 2012	March 31, 2024	1 MUR= INR 1.79(BS) INR 1.831(PL)	0.19	144.40	201.56	56.97	-	-	(6.07)	-	(6.07)	-	100.00%
7	Metropolis Star Lab Kenya Limited	February 25, 2013	March 31, 2024	1 KSHS= INR 0.629(BS) INR 0.588(PL)	5.44	4,429.13	5,232.02	797.44	-	5,963.88	1,149.30	340.19	809.11	-	100.00%
8	Metropolis Healthcare Ghana Limited	May 02, 2014	March 31, 2024	1 GHC= INR 6.293(BS) INR 6.996(PL)	182.40	(525.77)	885.06	1,228.43	-	1,477.28	(136.68)	(29.50)	(107.18)	-	100.00%
9	Metropolis Healthcare Lanka Pvt. Limited (Formerly known as Nawaloka Metropolis Laboratories Private Limited)	June 8, 2005	March 31, 2024	1 SLR= INR 0.278(BS) INR 0.310(PL)	11.04	(79.21)	596.07	664.23	-	146.61	69.78	-	69.78	-	100.00%
10	Metropolis Healthcare (Tanzania) Limited	August 19, 2018	March 31, 2024	1 Tshs = INR 0.0326(BS) INR 0.0338(PL)	139.39	125.63	719.02	454.00	-	1,005.22	168.59	25.29	143.30	-	99.99%
11	Metropolis Healthcare Uganda Limited ^a	July 22, 2015	March 31, 2024	1 Ushs= INR 0.0214(BS) INR 0.0221(PL)	5.56	(165.35)	417.23	577.03	-	302.55	(161.50)	(53.05)	(108.45)	-	100.00%

^aThe Company is yet to commence operations

ANNEXURE 2 (Contd.)

ANNEXURE B: FORM AOC-1

[Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014]

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures**PART "B": ASSOCIATES AND JOINT VENTURES**

(Information in respect of each Associate/Joint Venture Companies presented with amounts in INR for the year ended March 31, 2024)

	Name of Associates/Joint Ventures	Star Metropolis Health Services Middle East LLC [#]
1	Latest audited Balance Sheet Date	Unaudited
2	Shares of Associate/Joint Ventures held by the Company on the year end	
	(i) Number	1020
	(ii) Amount of Investment in Associates/Joint Venture	
	(iii) Extend of Holding %	34%
3	Description of how there is significant influence	Shareholding
4	Reason why the Associate/Joint Venture is not consolidated	Non-availability of Financial information
5	Networth attributable to Shareholding as per latest Audited Balance Sheet	
6	Profit / (Loss) for the year	
	(i) Considered in Consolidation	
	(ii) Not Considered in Consolidation	

[#]Entity no longer an Associate (Refer note no. 50)

Names of Associates or Joint ventures which are yet to commence operations: Not Applicable

Names of Associates or Joint ventures which have been liquidated or sold during the year: Not Applicable

For and on behalf of the Board of Directors

Metropolis Healthcare Limited

L73100MH2000PLC192798

Dr. Sushil Shah

Chairman & Executive Director

DIN: 00179918

Place : Mumbai

Ameera Shah

Managing Director

DIN: 00208095

Place : Mumbai

Surendran Chemmenkotil

Chief Executive Officer

Place : Mumbai

Rakesh Agarwal

Chief Financial Officer

Place: Mumbai

Subramanian Ranganathan

Independent Director

DIN:00125493

Place : Mumbai

Kamlesh Kulkarni

Company Secretary

Place: Mumbai

Place : Mumbai
Date: 21 May 2024

ANNEXURE 3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,

Metropolis Healthcare Limited
Mumbai

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Metropolis Healthcare Limited** (L73100MH2000PLC192798) and having its registered office at 4th Floor, East Wing, Plot-254 B, Nirlon House, Dr. Annie Besant Road, Worli, Mumbai - 400030 (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2024 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 **(Not applicable to the Company during the audit period);**
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 **(Not applicable to the Company during the audit period);**
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(Not applicable to the Company during the audit period); and**
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (vi) The Clinical Establishments (Registration and Regulation) Act, 2010 and rules made thereunder; The Atomic Energy Act 1962 and rules made there under; and Bio Medical Waste (Management and Handling) Rules, 1988 framed under Environment (Protection) Act, 1986 being laws that are specifically applicable to the Company based on their sector/industry.

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Standards, Guidelines etc. mentioned above.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during

ANNEXURE 3 (Contd.)

the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes. However, in the minutes of the meetings of Board and its Committees, for the period under review, no dissents were noted and hence we have no reason to believe that decisions by the Board were not approved by all the directors present.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations, standards, guidelines and directions.

We further report that during the audit period:

1. the Company allotted -
 - (a) 158 Equity Shares of INR 2/- each on April 13, 2023, pursuant to units exercised by unit holders under 'Metropolis-Restrictive Stock Unit Plan, 2020 ('MHL-RSU Plan, 2020'); the said shares have been listed at NSE and BSE and admitted to dealings w.e.f. June 05, 2023;

- (b) 9884 Equity Shares of INR 2/- each on July 12, 2023, pursuant to units exercised by unit holders under MHL-RSU Plan, 2020; the said shares have been listed at NSE and BSE and admitted to dealings w.e.f. August 11, 2023;
- (c) 2888 Equity Shares of INR 2/- each on October 10, 2023, pursuant to units exercised by unit holders under MHL-RSU Plan, 2020; the said shares have been listed at NSE and BSE and admitted to dealings w.e.f. November 02, 2023; and
- (d) 3267 Equity Shares of INR 2/- each on January 13, 2024, pursuant to units exercised by unit holders under MHL-RSU Plan, 2020; the said shares have been listed at NSE and BSE and admitted to dealings w.e.f. February 08, 2024.

2. the Company approved the grant of 75666 and 2000 Restrictive Stock Units pursuant to the MHL-RSU Plan, 2020 to the eligible employees of the Company on August 02, 2023 and November 04, 2023 respectively;
3. the Board of Directors of Company at their meeting held on November 04, 2023 declared an interim dividend of INR 4/- per equity share (face value INR 2/-) for the financial year 2023-24 aggregating to INR 20,48,94,376/-; and
4. Company has intimated to the Stock Exchanges about a fraud committed by the employee on the Company, for which appropriate action was taken.

This report is to be read with our letter of even date which is annexed as 'Annexure-A' and forms an integral part of this report.

For **Manish Ghia & Associates**
Company Secretaries
(Unique ID: P2006MH007100)

Sd/-
CS Mannish L. Ghia
Partner

M. No. FCS 6252, C.P. No. 3531
PR 822/2020

Place: Mumbai
Date: May 21, 2024
UDIN: F006252F000392242

ANNEXURE 3 (Contd.)

'Annexure A'

To,
The Members,
Metropolis Healthcare Limited
Mumbai

Our report of even date is to read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provided a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Book of Accounts of the Company.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulation, standards is the responsibility of management. Our examination was limited to the verification of procedures on the test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Manish Ghia & Associates**
Company Secretaries
(Unique ID: P2006MH007100)

Sd/-

CS Mannish L. Ghia

Partner

M. No. FCS 6252, C.P. No. 3531
PR 822/2020

Place: Mumbai
Date: May 21, 2024
UDIN: F006252F000392242

ANNEXURE 4

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

[Pursuant to clause (o) of sub-Section (3) of Section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

1. Brief outline on CSR Policy of the Company:

We live by our values of giving back to the society which is integrated and embibed in the roots of Metropolis and aim to bring about a positive change in the nation. The CSR Policy of the Company has outlined broad thematic areas for CSR activities which are also aligned with the Sustainable Development Goals (SDG) viz Good Health and Wellbeing (SDG-3), Promoting Quality Education (SDG 4) and Gender Equality (SDG 5). All our CSR activities are outlined to these thrust areas.

For the past 3 decades, Metropolis has been at the forefront in conducting impactful workshops and driving numerous workshops for different sections of the Society. As an integral part of our commitment to Good Corporate Citizenship, we at Metropolis Healthcare Limited, believe in actively assisting in improvement of the quality of life of people in our communities. We believe that we not only exist for doing good business but also for ensuring the betterment of the society.

We actively contribute to ensure that the people living in local areas around our business operations lead a good quality life. Towards achieving long-term stakeholder value, we shall always continue to respect the interests of and be responsive towards our key stakeholders - the communities, especially those from socially and economically backward groups, the underprivileged and the marginalized. Further, it is a goal of the Company to uplift the quality of life and well-being of people.

The CSR Policy ('the Policy') of the Company as approved by the Board is available on the website of the Company. The Company's CSR is in alignment with the initiatives undertaken by it. The foundation set up by the Committee is empowering & developing young girls who are below poverty line and providing reproductive health education to the masses. Also, various skills are being provided for financial independence and imparting knowledge and training to the underprivileged.

2. Composition of CSR Committee:

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
a.	Ms. Anita Ramachandran (Chairperson)	Non-Executive Independent Director	2	2
b.	*Mr. Milind Sarwate (Member)	Non-Executive Independent Director	1	1
c.	#Mr. Subramanian Ranganathan (Member)	Non-Executive Independent Director	1	1
d.	Ms. Ameera Shah (Member)	Managing Director	2	2

*upto closure of business hours of September 06, 2023

#with effect from September 07, 2023

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company

- CSR Committee Composition: <https://www.metropolisindia.com/newdata/Investors/composition-of-board-committees/Composition+of+Board+and+Committees.pdf>
- CSR Policy: https://www.metropolisindia.com/newdata/Investors/CSR/MHL-Revised+CSR+policy_wef+May+27-2021.pdf
- CSR Projects: <https://www.metropolisindia.com/newdata/Investors/Shareholder-Information/2023-24/CSR%20Budget%2023-24.pdf>

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable:

The Company is not required to carry out the Impact Assessment as required as per sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014

ANNEXURE 4 (Contd.)

5. (a) Average net profit of the Company as per Section 135(5) for spending during the financial year 2023-24: INR 2,54,05,68,432/-
- (b) Two % of average net profit of the Company as per Section 135(5) for spending during the financial year 2023-24: INR 5,08,11,369/-
- (c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NIL
- (d) Amount required to be set off for the financial year, if any: NIL
- (e) Total CSR obligation for the financial year (5b+5c-5d): INR 5,08,11,369/-

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project):

Type of Project	Amount (in INR)
Other than Ongoing Projects	4,83,17,686

- (b) Amount spent in Administrative Overheads: INR 24,93,683 /-
- (c) Amount spent on Impact Assessment, if applicable: Not Applicable
- (d) Total amount spent for the financial year 2023-24 (6a+6b+6c): INR 5,08,11,369/-
- (e) CSR amount spent or unspent for the financial year:

Total Amount Spent for the financial year (in INR)	Amount Unspent (in INR)				
	Total Amount (in INR) transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
5,08,11,369/-	Not Applicable				

- (f) Excess amount for set off, if any: Not Applicable

Sr. No.	Particular	Amount (in INR)
(i)	Two percent of average net profit of the Company as per sub-section (5) of section 135	-
(ii)	Total amount spent for the financial year	-
(iii)	Excess amount spent for the financial year [(ii)-(i)]	-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	-

7. a) Details of Unspent CSR amount for the preceding three financial years:

Sr. No.	Preceding Financial year(s)	Amount transferred to Unspent CSR Account under section 135 (6) (in INR)	Balance Amount in Unspent CSR Account under sub section (6) of section 135 (in INR)	Amount spent in the financial year (in INR)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years (in INR)	Deficiency, if any
					Name of the Fund	Amount (in INR)	Date of transfer		
1.	2022-23	-	-	-	-	-	-	-	-
2.	2021-22	-	-	-	-	-	-	-	-
3.	2020-21	1,61,22,081	1,05,10,230	1,05,10,230	-	-	-	-	-
	Total	1,61,22,081	1,05,10,230	1,05,10,230	-	-	-	-	-

ANNEXURE 4 (Contd.)

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

Sr. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Total amount allocated for the project (in INR)	Amount spent on the project in the reporting financial year (in INR)	Cumulative amount spent at the end of reporting financial year (in INR)	Status of the project - Completed / Ongoing
1.	FY31.03.2021_1	DSEU	2020-21	1,61,22,081	1,05,10,230	1,61,22,081	Completed
	Total	-	-	1,61,22,081	1,05,10,230	1,61,22,081	-

8. **Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:** Not Applicable

9. **Specify the reason(s), if the Company has failed to spend two % of the average Net Profit as per section 135(5):**
Not Applicable

Sd/-

Ameera Shah

Managing Director and
Member of CSR Committee
DIN: 00208095
Place: Mumbai
Date: May 21, 2024

Sd/-

Anita Ramachandran

Chairperson of CSR Committee
DIN: 00118188
Place: Mumbai
Date: May 21, 2024

ANNEXURE 5

DISCLOSURES REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

1. The percentage increase in the median remuneration of employees during the financial year 2023-24:

Median remuneration of employees of the Company as at the end of the financial year under review was INR 2,75,425 which increased by 7.97% over the previous year's median remuneration of INR 2,55,103.

2. The ratio of the remuneration of each Director to the median remuneration of employees for the financial year 2023-24; and

3. The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, during the financial year 2023-24:

(Amount in Lakhs)

Sr. No	Name	Designation	Percentage increase/ (decrease) in remuneration in the financial Year 2023-24 (%)	Ratio to median remuneration (in times)
Non-Executive Directors				
1.	Mr. Milind Sarwate*	Independent Director	-	-
2.	Mr. Subramanian Ranganathan#	Independent Director	-	-
3.	Mr. Vivek Gambhir	Independent Director	-	-
4.	Mr. Sanjay Bhatnagar	Independent Director	-	-
5.	Ms. Anita Ramachandran	Independent Director	-	-
6.	Mr. Hemant Sachdev	Non-Independent Director	-	-
Executive Directors				
7.	Dr. Sushil Shah	Chairman and Executive Director	0%	65
8.	Ms. Ameera Shah	Managing Director	0%	112
Key Managerial Personnel				
9.	Mr. Surendran Chemmenkotil	Chief Executive Officer	0%	175
10.	Mr. Rakesh Agarwal	Chief Financial Officer	8%	46
11.	Ms. Neha Shah^	Interim Company Secretary and Compliance Officer	20%	4
12.	Mr. Kamlesh Kulkarni§	Head - Legal and Secretarial	0%	6

*upto closure of business hours of September 06, 2023

#with effect from August 21, 2023

^with effect from June 20, 2023 upto February 02, 2024

§with effect from February 03, 2024

4. The number of permanent employees on rolls of the Company: 4314

5. Average percentile increase already made in salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

The percentage increase in the gross salaries paid to employees other than the managerial personnel in the last financial year is 8.31% as against an increase of 85.5% in the salary of Managerial Personnel. The increment given to each individual employee is based on the employee's potential, experience and also their performance and contribution to the Company's progress during the year and is benchmarked against similar companies in India.

ANNEXURE 5 (Contd.)

Note: During the year under review, employees on the payroll of merged subsidiaries & Dr. Ganesan Hitech Diagnostic Centre Private Limited were transferred to Metropolis Healthcare Limited on account of amalgamation & liquidation respectively. Therefore, the percentage increase in the gross salaries paid to employees is higher in comparison to last year.

6. Affirmation that the remuneration is as per the Remuneration Policy of the Company:

The Company affirms that the remuneration paid is as per the Remuneration Policy of the Company.

For and on behalf of the Board of Directors

Sd/-

Dr. Sushil Shah

Chairman & Executive Director

DIN: 00179918

Place: Mumbai

Date: May 21, 2024

CORPORATE GOVERNANCE REPORT

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Your Company's philosophy on Corporate Governance is based on a holistic approach not only towards its own growth but also towards maximization of benefits to the shareholders, employees, customers, government and also the general public at large. Transparency and accountability are the fundamental principles of a sound Corporate Governance, which ensures that the organization is managed and monitored in a responsible manner for creating and sharing stakeholder's value.

Your Company is committed to a good Corporate Governance and adherence to best practices at all times and its philosophy is based on five basic elements namely, accountability, value creation, strategic-guidance, transparency and equitable treatment to all stakeholders.

Metropolis Healthcare Limited ("the Company") believes in following values which serve as guiding principles for Company's culture, decisions, and behaviour.

Vision: To be a respected healthcare brand trusted by clinicians, patients, and stakeholders. Positively impact the lives of patients in their most anxious times and turn their anxiety into assurance.

Integrity is in our veins, where ethics flow like blood, quality runs deep.

Empathy is in our blood: We don't just diagnose, we feel with you.

Accuracy is in our DNA: Not just results, but right results, it's in our blueprint.

2. BOARD OF DIRECTORS

Composition of Board

The Board consists of a balanced combination of Executive, Non-Executive Directors and Independent Directors including one woman Independent Director which is in compliance with the requirements of the Companies Act, 2013 ("the Act"), Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') and the Articles of Association of the Company. The Board composition represents an optimal mix of professionalism, knowledge, expertise and experience which enables the Board to discharge its responsibilities efficiently and provide effective leadership to the business. As on March 31, 2024, the Board of the Company comprises of 7 (seven) Directors of which 4 (four) are Non-Executive Independent Directors, 1 (one) is Non-Executive Non-Independent Director and 2 (two) are Executive Directors. Brief profile of the Directors is available on the website of the Company at <https://www.metropolisindia.com/investors> and also forms part of this Annual Report.

Board Meetings

The Board meeting dates are pre-scheduled. The schedule of the Board meetings as well as Committee meetings are communicated in advance to the Directors to enable them to attend the meetings. The Board Meeting is conducted at least once in every quarter to discuss the performance of the Company and its Quarterly Financial Results along with other Company matters. The agenda of the business(es) to be transacted at the Board Meeting along with explanatory notes thereto are circulated well in advance to the Board of Directors of the Company. The Management team provides update on key areas such as business performance, functional outcomes, etc. In case of urgent matters, approvals are sought by way of circular resolution.

During the year under review, 6 (six) Board Meetings were held and the gap between two meetings did not exceed 120 days. These meetings were held on May 16, 2023, June 19, 2023, August 02, 2023, November 04, 2023, February 02, 2024 and March 18, 2024.

The composition of the Board of the Company, details of attendance in the Board Meetings and 23rd Annual General Meeting of the Company held during the financial year 2023-24 and Directorship / Committee positions of the Directors as on March 31, 2024, in other public companies are as follows:

Name of Director and DIN	Category	Date of appointment	No. of directorships held in other Indian companies as on March 31, 2024 ^a	Name of other listed companies where he/she is a Director as on March 31, 2024 along with category of Directorship	No. of Committee membership/ Chairpersonship held in other Indian public companies as on March 31, 2024 ^b		Number of Board Meeting attended during the financial year 2023-24	Attendance at 23 rd Annual General meeting
					Member	Chairperson		
Dr. Sushil Shah (DIN: 00179918)	Chairman and Whole-time Director	17/08/2005	-	-	-	-	6/6	Yes

CORPORATE GOVERNANCE REPORT (Contd.)

Name of Director and DIN	Category	Date of appointment	No. of directorships held in other Indian companies as on March 31, 2024 ^a	Name of other listed companies where he/she is a Director as on March 31, 2024 along with category of Directorship	No. of Committee membership/ Chairpersonship held in other Indian public companies as on March 31, 2024 ^b		Number of Board Meeting attended during the financial year 2023-24	Attendance at 23 rd Annual General meeting
					Member	Chairperson		
Ms. Ameera Shah (DIN: 00208095)	Managing Director	06/05/2008	3	Category: Independent Director ACC Limited Torrent Pharmaceuticals Limited	1	1	6/6	Yes
Mr. Hemant Sachdev (DIN: 01635195)	Non-Executive - Non-Independent	27/05/2021	1	-	-	-	4/6	No
Ms. Anita Ramachandran (DIN: 00118188)	Non-Executive Independent	14/05/2020	8	Category: Independent Director Blue Star Limited FSN E-Commerce Ventures Limited Ujjivan Small Finance Bank Limited Happiest Minds Technologies Limited Grasim Industries Limited	7	4	6/6	Yes
Mr. Vivek Gambhir (DIN: 06527810)	Non-Executive Independent	07/09/2018	2	Category: Independent Director Honasa Consumer Limited	2	-	6/6	Yes
Mr. Sanjay Bhatnagar (DIN: 00867848)	Non-Executive Independent	07/09/2018	1	Category: Independent Director EIH Limited	-	1	5/6	No
Mr. Subramanian Ranganathan* (DIN: 00125493)	Non-Executive Independent	21/08/2023	3	Category: Independent Director Capri Global Capital Limited Proventus Agrocom Limited	-	4	3/3	NA
Mr. Milind Sarwate** (DIN: 00109854)	Non-Executive Independent	07/09/2018	NA	NA	NA	NA	3/3	Yes

*Mr. Subramanian Ranganathan was appointed as an Independent Director on the Board w.e.f. August 21, 2023.

**Mr. Milind Sarwate completed his term of 5 (five) years as an Independent Director on September 06, 2023 and ceased to be an Independent Director of the Company.

Notes:

- The above list of other Directorships includes Public Companies (Listed and Unlisted) but does not include Private Companies, Foreign Companies, Directorship in Metropolis Healthcare Limited, Companies incorporated under Section 8 of the Act and any alternate Directorships.
- Membership in only Audit Committee and Stakeholders Relationship Committee is considered.
- There are no inter-se relationships between our Board members, except that (i) Dr. Sushil Shah is father of Ms. Ameera Shah and father in law of Mr. Hemant Sachdev and (ii) Ms. Ameera Shah, being wife of Mr. Hemant Sachdev.
- Except for Dr. Sushil Shah, holding 12,82,058 equity shares and Ms. Ameera Shah holding 1,81,845 equity shares, none of the Directors of the Company hold shares in the Company as on March 31, 2024.
- None of the Directors on the Board of the Company has been debarred from accessing the capital market and/or restrained from holding position of Director in any listed company by virtue of any SEBI Order or any such authority.
- None of the Non-Executive Directors have any material pecuniary relationship or transactions with the Company.
- Pursuant to the provisions of Section 165 of the Act, none of the Directors hold directorships in more than 20 (twenty) Companies (including limit of maximum directorship in 10 Public Companies).
- None of the Directors is a member of more than ten Committees or Chairperson of more than 5 (five) Committees across all Companies (including the Company) in which they are a Directors as per the requirement of Regulation 26 of the SEBI Listing Regulations (Committees mentioned in (b) above are considered for evaluation).

CORPORATE GOVERNANCE REPORT (Contd.)

- (i) None of the Directors who serves as Whole-time Director / Managing Director in any listed entity serves as an Independent Director in more than 3 (three) listed entities. The necessary disclosures regarding their Directorships and Committee memberships have duly been made by them.
- (j) None of the Independent Directors hold Directorship in more than 7 (seven) listed companies.
- (k) Subsequent to the closure of the financial year:
- Dr. Sushil Shah was appointed as a Chairman Emeritus w.e.f. May 22, 2024 and re-designated from the position of Whole-Time Director to Non- Executive Director w.e.f. the date of shareholders' approval.
 - Ms. Ameera Shah was re-designated from Managing Director to Chairperson & Whole-Time Director w.e.f. May 22, 2024, for the duration of her remaining term i.e. till March 17, 2026, subject to shareholders' approval.
 - Dr. Aparna Rajadhyaksha was appointed as an Additional Director in the capacity Non-Executive Non-Independent Director w.e.f. May 22, 2024.

Board

The Board is represented by confluence of avid professionals coming from rich and diverse background, experience, knowledge, competence, skills and expertise which echoes to values and Corporate Governance philosophy of the Company. This helps the Board to have meaningful and objective discussion at the Board level and discharge its responsibilities efficiently and provide effective leadership and strategic guidance to the business.

The table below summarizes the list of the specific areas of expertise and competencies of individual Director against each skill identified by the Board of Directors for effectively conducting the business of the Company:

Core Skills	Area of expertise/ Competencies	Description
Expert Knowledge	Healthcare	Understanding the complexities of the healthcare sector and expertise in the field of diagnostics.
	Finance, Accountancy & Audit	In-depth knowledge in the field of accounts and ability to read, understand and analyse the financial statements, financial controls, risk management and other business projections.
	Law	Experience in understanding the dynamics of the legal and regulatory aspect at a global level.
	Information Technology	Providing guidance in relation to information technology upgradation of the organization as a whole.
Leadership	Strategy & Marketing	Providing strategic guidance to the management regarding organic and inorganic growth opportunities with a clear road map.
Human Resource	People Management	Experience of developing talent, succession planning and driving changes towards long-term growth.
Governance	Risk Management	Experience in mitigation of risk by actively getting involved in the risk management of the organization.

Name of the Director	Healthcare	Finance, Accountancy & Audit	Law	Information Technology	Leadership, Strategy & Marketing	People Management	Risk Management
Dr. Sushil Shah	✓	-	-	-	✓	✓	-
Ms. Ameera Shah	✓	✓	✓	✓	✓	✓	✓
Ms. Anita Ramachandran	-	-	✓	✓	✓	✓	-
Mr. Vivek Gambhir	-	✓	✓	✓	✓	✓	✓
Mr. Sanjay Bhatnagar	-	✓	✓	✓	✓	✓	✓
Mr. Hemant Sachdev	-	-	✓	✓	✓	-	-
Mr. Subramanian Ranganathan	-	✓	✓	-	✓	✓	✓

CORPORATE GOVERNANCE REPORT (Contd.)

Independent Directors

The criteria for appointment of Independent Directors is laid out in the Nomination and Remuneration Policy of the Company. The terms and conditions for their appointment are available on the website of Company at <https://www.metropolisindia.com/newdata/Investors/code-of-conduct/Terms-and-conditions-of-appointment-of-independent-directors.pdf>

The Independent Directors are required to submit a declaration, at the time of their appointment and annually, confirming their independence as set out in Regulation 16 of the SEBI Listing Regulations, Section 149(6) of the Act read with rules made thereunder, Schedule IV thereto and all other applicable provisions of the Act and SEBI Listing Regulations.

Based on the disclosures received from all the Independent Directors and on evaluation of the relationship disclosed, in the opinion of the Board, the Independent Directors fulfil the conditions specified in the Act and SEBI Listing Regulations and are independent of the Company's Management. In terms of Regulation 25(8) of the SEBI Listing Regulations, Independent Directors of the Company have confirmed that they are not aware of any circumstances, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties.

Further, each of the Independent Directors have registered their names on the online databank maintained by the Indian Institute of Corporate Affairs.

None of the Independent Directors of the Company serves as an Independent Director in more than seven listed companies. None of the Independent Director has resigned before the completion of their term.

Pursuant to Schedule IV of the Act and as per Regulation 25(3) of the SEBI Listing Regulations, a separate meeting of the Independent Directors of the Company was held on March 18, 2024 which was attended by all the Independent Directors. The Independent Directors inter-alia reviewed the (i) performance of Non-Independent Directors including the Chairman; (ii) performance of entire Board and Committees thereof; and (iii) quality, quantity and timeliness of the flow of information between the Management and the Board.

Familiarization Programme

At the time of appointment, the Independent Directors are made aware of their roles and responsibilities

through a formal letter of appointment which stipulates various terms and conditions. At Board and Committee Meetings, the Independent Directors are regularly familiarized on the business model, strategies, operations, functions, new regulatory requirements, policies and procedures of the Company. All Directors attended the familiarization programs as these were scheduled to coincide with the Board Meetings.

A summary of familiarization programme conducted for the Independent Directors is available on the website of the Company at <https://www.metropolisindia.com/newdata/Investors/Disclosures%20under%20Regulation%2046%20of%20LODR/summary-of-familiarization-programs-imparted-to-independent-directors.pdf>

Board Evaluation

The Board of Directors of the Company carried out an annual evaluation of the performance of the Board, Committees of the Board and individual Directors pursuant to the provisions of the Act and the SEBI Listing Regulations. The performance evaluation is conducted through structured questionnaires that cover various aspects such as the Board composition and structure, effectiveness and contribution to Board processes, adequacy, appropriateness and timeliness of the information, and the overall functioning of the Board etc. The responses of the Individual Directors to the questionnaire on the performance of the Board, Committees of the Board, Chairman and Directors, were analyzed.

In compliance with Regulation 19 read with Part D of Schedule II of the SEBI Listing Regulations, the Nomination and Remuneration Committee has formulated criteria for the evaluation of the Company's Independent Directors' performance. The performance evaluation of Independent Directors is carried out on the basis of their roles and responsibilities, effective participation in the Board and Committee meetings, expertise, skills and exercise of independent judgment in major decisions of the Company.

A summarized report of the feedback given by the Directors was prepared and presented to the Board and Nomination and Remuneration Committee. The Board expressed their satisfaction with the evaluation process. The suggestions on the Board efficacy were taken on record and an action plan was rolled out.

CORPORATE GOVERNANCE REPORT (Contd.)
Nomination and Remuneration Policy

Pursuant to SEBI Listing Regulations and the Act, the Board on recommendation of Nomination and Remuneration Committee has adopted a comprehensive policy on remuneration of Directors, Key Managerial Personnels and the Senior management. The Policy inter-alia includes the (i) criteria for determining the quality, attributes and independence for appointment of Directors, Key Managerial Personnels and Senior management; and (ii) process for evaluation and payment of remuneration thereof. The Policy on Nomination and Remuneration is available on the website of the Company at <https://www.metropolisindia.com/newdata/Investors/code-of-conduct/Nomination-and-Remuneration-Policy-24.pdf>

Brief of remuneration criteria for the Directors and Key Managerial Personnel are provided below:

Remuneration to Directors
Remuneration to Non-Executive / Independent Director:

The Non-Executive Independent Directors are entitle to sitting fees for attending the meetings of the Board of Directors and Committees thereof. Sitting fees paid to Non-Executive Independent Directors are within the limits prescribed under the Act and as determined by the Board from time to time.

The commission to Non-Executive Independent Directors is paid as approved by the Board within the limits approved by the shareholders of the

Remuneration to Executive Directors

The Company has paid remuneration to its Executive Directors by way of salary and perquisites, within the limits stipulated under the Act and as per the approval sought from the shareholders of the Company.

Details of the remuneration paid to the Executive Directors of the Company during the year are as follows:

(Amount in INR)

Name	Designation	Basic Salary	Allowances	Variable Pay	Company Lease Accommodation	Company's Contribution to Provident Fund	Total
Dr. Sushil Shah	Chairman & Whole-time Director	69,12,000	1,10,88,000	-	-	-	1,80,00,000
Ms. Ameera Shah	Managing Director	2,00,00,004	17,33,340	91,99,996	1,45,44,442	24,00,000	4,78,77,782

Company based on the performance evaluation and recommendation of the Nomination and Remuneration Committee. The amount of such commission, taken together for all Non-Executive Directors, does not exceed 1% of the net profits of the Company in a financial year calculated as per the requirements of Section 198 of the Act.

The Non-Executive Directors are also entitled to reimbursement of expenses for participation in the Board and other meetings in terms of the Act.

The details of sitting fees and commission paid during the year are as under:

(Amount in INR)

Names of Non-Executive Directors	Sitting Fees	*Commission for the FY 2022-23	**Commission for the FY 2023-24
Mrs. Anita Ramachandran	11,75,000	10,00,000	10,25,000
Mr. Vivek Gambhir	11,50,000	7,00,000	7,50,000
Mr. Sanjay Bhatnagar	10,25,000	7,00,000	7,00,000
Mr. Subramanian Ranganathan	5,00,000	--	5,00,000
Mr. Hemant Sachdev	--	--	--
Mr. Milind Sarwate	4,50,000	13,00,000	3,00,000

*The Commission for the FY 2022-23 was paid during the FY 2023-24.

**The Commission for the FY 2023-24 will be paid during the FY 2024-25.

During the year, there was no pecuniary relationship or transaction between the Company and any of its Non-Executive Directors apart from sitting fees, commission and reimbursement of expenses. The Company has not granted any stock options to any of its Non-Executive Directors.

None of the Non-Executive Directors received remuneration exceeding 50% of the total annual remuneration paid to all Non-Executive Directors for the financial year ended March 31, 2024.

CORPORATE GOVERNANCE REPORT (Contd.)

Gross remuneration is exclusive of Company's Contribution to Provident Fund. The performance criteria of the above-mentioned Directors are laid down by the Nomination and Remuneration Committee in accordance with the Nomination and Remuneration Policy of the Company. The Company does not have any service contract with any of the Directors. The term of the Executive Directors & Independent Directors is for a period of 5 years from the respective dates of appointment.

Service Contracts, Severance Fees and Notice Period

The appointment and remuneration of the Executive Director, Whole-time Director and Managing Director are subject to the provisions of the Act and the resolution passed by the Board of Directors and Members of the Company which cover the terms and conditions of such appointment and employment agreement. There is no separate provision for payment of severance fee under the resolutions governing the appointment of Executive Chairman, Whole-time Director and Managing Director.

Employee Stock Option Plan

Your Company has Metropolis Employee Stock Option Scheme 2015 (MESOS – 2015) and Metropolis Healthcare Limited - Restrictive Stock Unit Plan, 2020 (MHL-RSU Plan, 2020) for the employees of the Company and its subsidiaries (if any). The Company has not granted any stock options to the Executive Director. The details of MESOS – 2015 and MHL-RSU Plan, 2020 including the number of outstanding options are given in Annexure 1 of the Board's Report.

2. COMMITTEES OF THE BOARD OF DIRECTORS

In order to support effective functioning of the Board and sharpening its focus on specific areas, the Board of Directors have constituted Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility and Environmental, Social & Governance Committee and Risk Management Committee in compliance with the requirements of the Act and the SEBI Listing Regulations. These Committees are entrusted with such powers and functions as detailed in its respective terms of reference operating under the direct supervision of

the Board. A brief on the matters discussed at the Committee meetings is also provided to the Board members.

The composition of each Committee is available on the website of the Company at <https://www.metropolisindia.com/newdata/Investors/composition-of-board-committees/Composition+of+Board+and+Committees.pdf>

Audit committee

The Audit Committee of the Company is duly constituted as per Regulation 18 of the SEBI Listing Regulations read with the provisions of Section 177 of the Act. All the Members of the Audit Committee are financially literate and capable of analysing Financial Statements of the Company.

The Audit Committee acts as a link between the Management, Statutory Auditors, Internal Auditors and the Board of Directors and oversees the financial reporting process. All the Members of the Audit Committee are financially literate and capable of analysing Financial Statements of the Company. The Company Secretary acts as the Secretary of the Audit Committee.

During the financial year under review, 4 (four) Audit Committee Meetings were held on May 16, 2023, August 02, 2023, November 04, 2023, and February 02, 2024. The Statutory Auditors and Internal Auditors were invited to the Audit Committee Meetings. The Committee Members invite any other concerned officer of the Company in the meetings, whenever required by the committee on case-to-case basis. The details of composition of the Committee and attendance of each Committee Member are as follows:

Name of the Members	Designation in the Committee	Particulars of attendance	
		No. of meetings held during the Member's tenure	No. of meetings attended by the Member
Mr. Subramanian Ranganathan ¹	Chairman	2	2
Ms. Anita Ramachandran	Member	4	4
Mr. Vivek Gambhir	Member	4	4
Mr. Sanjay Bhatnagar	Member	4	4
Mr. Milind Sarwate ¹	Chairman	2	2

CORPORATE GOVERNANCE REPORT (Contd.)

Mr. Milind Sarwate ceased as the Chairman of Audit Committee w.e.f. September 06, 2023 and Mr. Subramanian Ranganathan was appointed in his place as the Chairman of the Committee w.e.f. September 07, 2023.

The Chairman of the Audit Committee, Mr. Milind Sarwate attended the AGM held during the financial year 2023-24 i.e. on August 17, 2023. The Board has accepted all recommendations made by the Audit Committee during the year.

The brief terms of reference of the Audit Committee, inter alia, includes the following:

1. Oversight of the Company's financial reporting process, examination of the financial statement and the auditors' report thereon and the disclosure of its financial information to ensure that its financial statements are correct, sufficient and credible;
2. Recommendation for appointment, re-appointment, replacement, remuneration and terms of appointment of auditors of the Company;
3. Approval of payment of statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013, as amended;
 - b. Changes, if any, in accounting policies and practices and reasons for the same;
 - c. Major accounting entries involving estimates based on the exercise of judgment by management;
 - d. Significant adjustments made in the financial statements arising out of audit findings;
 - e. Compliance with listing and other legal requirements relating to financial statements;
 - f. Disclosure of any related party transactions; and
 - g. Modified opinion(s) in the draft audit report;
5. Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board of Director for approval;
6. Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public issue or rights issue or qualified institutions placement, and making appropriate recommendations to the Board to take up steps in this matter;
7. Reviewing and monitoring the statutory auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modifications of transactions of the Company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the Company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Monitoring the end use of funds raised through public offers and related matters;
13. Reviewing with the management, the performance of statutory and internal auditors, and adequacy of the internal control systems;
14. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
15. Discussion with the internal auditors on any significant findings and follow up there on;
16. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
17. Discussion with the statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
18. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

CORPORATE GOVERNANCE REPORT (Contd.)

19. To review the functioning of the whistle blower mechanism;
20. Approving the appointment of the Chief Financial Officer or any other person heading the finance function or discharging that function after assessing the qualifications, experience and background, etc. of the candidate;
21. Carrying out any other terms of reference as may be decided by the Board or specified/ provided under the Companies Act, 2013 or the SEBI Listing Regulations or by any other regulatory authority;
22. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding INR 100 crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
23. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders; and
24. Review of (1) management discussion and analysis of financial condition and results of operations; (2) management letters/letters of internal control weaknesses issued by the statutory auditors; (3) internal audit reports relating to internal control weaknesses; (4) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee; (5) statement of deviations including (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee is constituted in compliance with the requirements of Regulation 19 of the SEBI Listing Regulations read

with the provisions of Section 178 of the Act. The key responsibilities of Nomination and Remuneration Committee inter-alia includes recommending the appointment & remuneration of Directors, Key Managerial Personnel and Senior Management Personnel apart from setting up framework of evaluation of performance of Directors. The Company Secretary of the Company acts as a Secretary to the Committee.

During the financial year under review, 6 (six) meetings of the Nomination and Remuneration Committee were held on May 16, 2023, June 19, 2023, August 02, 2023, November 04, 2023, February 02, 2024 and March 18, 2024.

The details of composition of the Committee and attendance of each Committee Member are as follows:

Name of the Members	Designation in the Committee	Particulars of attendance	
		No. of meetings held during the Member's tenure	No. of meetings attended by the Member
Ms. Anita Ramachandran	Chairperson	6	6
Mr. Vivek Gambhir	Member	6	6
Mr. Sanjay Bhatnagar	Member	6	6

The Chairperson of the Nomination and Remuneration Committee attended the AGM held during the financial year 2023-24 i.e. on August 17, 2023. The Board has accepted all recommendations made by the Nomination and Remuneration Committee during the year.

The brief terms of reference of the Nomination and Remuneration Committee, inter alia, includes the following:

1. Formulating the criteria for determining qualifications, positive attributes and independence of a Director and recommending to the board of Directors a policy, relating to the remuneration of the Directors, key managerial personnel and other employees;
2. For every appointment of an Independent Director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an Independent

CORPORATE GOVERNANCE REPORT (Contd.)

Director. The person recommended to the Board for appointment as an Independent Director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

- a. use the services of an external agencies, if required;
 - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - c. consider the time commitments of the candidates;
3. Formulating of criteria for evaluation of the performance of the Independent Directors and the Board of Directors;
 4. Devising a policy on diversity of Board of Directors;
 5. Identifying persons who qualify to become Directors or who may be appointed in senior management in accordance with the criteria laid down, recommending to the Board of Directors their appointment and removal, and carrying out evaluations of every Director's performance;
 6. Determining whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of independent Directors;
 7. Analysing, monitoring and reviewing various human resource and compensation matters;
 8. Determining the Company's policy on remuneration and any compensation payment, for the chief executive officer, the executive Directors, key managerial personnel including pension rights and determination of remuneration packages of such personnel;
 9. Determining compensation levels payable to the senior management personnel and other staff (as deemed necessary), which shall be market-related, usually consisting of a fixed and variable component and in accordance with the remuneration policy approved by the Board of Directors;

10. Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
11. Perform such functions as are required to be performed by the compensation committee under the SEBI (Share Based Employee Benefits) Regulations, 2014; and
12. Framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas.
13. Recommend to the Board, all remuneration, in whatever form, payable to Senior Management.
14. Performing such other activities as may be delegated by the Board of Directors and/or specified/provided under the Companies Act, 2013 together with the rules framed thereunder, as amended and to the extent notified, or the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, or by any other regulatory authority.

Stakeholders Relationship Committee

The Stakeholders Relationship Committee of the Company is constituted in line with the provisions of Regulation 20 of the SEBI Listing Regulations read with Section 178 of the Act. The Committee reviews, acts on and reports to the Board with respect to various matters relating to stakeholders. The Company Secretary of the Company acts as a Secretary to the Committee.

During the financial year under review 1 (one) meeting of Stakeholders Relationship Committee was held on May 16, 2023.

The details of composition of the Committee and attendance of meetings by each Committee Member are as follows:

Name of the Members	Designation in the Committee	Particulars of attendance	
		No. of meetings held during the Member's tenure	No. of meetings attended by the Member
Mr. Vivek Gambhir	Chairman	1	1
Ms. Ameera Shah	Member	1	1
Dr. Sushil Shah	Member	1	1

CORPORATE GOVERNANCE REPORT (Contd.)

The Chairman of the Stakeholders Relationship Committee attended the AGM held during the financial year 2023-24 i.e. August 17, 2023. The Board has accepted all recommendations made by the Stakeholders Relationship Committee during the year.

The brief terms of reference of Stakeholders Relationship Committee, inter alia, includes the following:

1. Considering and resolving grievances of security holders of the Company, including complaints related to transfer/transmission of shares, non-receipt of Annual Report and non-receipt of declared dividends, general meetings, etc;
2. Investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities;
3. To review the measures taken for effective exercise of voting rights by shareholders;
4. To review the adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent;
5. Issuing duplicate certificates and new certificates on split/consolidation/renewal; and
6. Carrying out any other function as may be decided by the board of directors or prescribed under the Companies Act, 2013, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, or by any other regulatory authority; and
7. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

Mr. Kamlesh Kulkarni, Head – Legal & Secretarial is Compliance Officer of the Company for complying with requirements of SEBI Listing Regulations.

Corporate Social Responsibility and Environmental, Social & Governance (CSR & ESG) Committee

The terms of reference, roles & responsibilities and the nomenclature of 'Corporate Social Responsibility Committee' was changed to 'Corporate Social Responsibility and Environmental, Social & Governance Committee' by the Board of Directors of the Company at their meeting held on February 02, 2024. This initiative was undertaken in order to expand the roles and responsibilities of the Committee to

undertake the activities pertaining to Environmental, Social & Governance and to achieve the objectives of the Company towards contributing to the society, protecting the environment, and ensuring good governance practices.

The Committee was duly constituted in compliance with the provisions of Section 135 of the Act. The Company is focused on stakeholder value creation, especially for the shareholders and local communities by contributing to the social and environmental needs. The Company Secretary of the Company acts as a Secretary to the Committee.

During the financial year under review, 2 (two) meetings of the CSR & ESG Committee were held on May 16, 2023 and November 04, 2023.

The details of composition of the Committee and attendance of meetings by each Committee Member are as follows:

Name of the Members	Designation in the Committee	Particulars of attendance	
		No. of meetings held during the Member's tenure	No. of meetings attended by the Member
Ms. Anita Ramachandran	Chairperson	2	2
Ms. Ameer Shah	Member	2	2
Mr. Milind Sarwate ¹	Member	1	1
Mr. Subramanian Ranganathan ¹	Member	1	1

¹Mr. Milind Sarwate ceased as a member of the Committee w.e.f. September 06, 2023 and Mr. Subramanian Ranganathan was appointed in his place as a member of the Committee w.e.f. September 07, 2023.

The Chairperson of the CSR & ESG Committee attended the AGM held during the during the financial year 2023-24 i.e. on August 17, 2023. The Board has accepted all recommendations made by the CSR & ESG Committee during the year.

The brief terms of reference of CSR & ESG Committee, inter alia, includes the following:

Corporate Social Responsibility ('CSR')

1. To formulate and recommend to the Board, a CSR & ECG Policy which shall indicate the activities to be undertaken by the Company as per the Companies Act, 2013 and SEBI (LODR) Regulations, 2015;
2. To review and recommend the amount of expenditure to be incurred on CSR activities;
3. Monitor the Annual Action Plan and progress of the activities undertaken, including utilization of amounts disbursed, on a periodic basis;

CORPORATE GOVERNANCE REPORT (Contd.)

4. Review the Impact Assessment reports undertaken through independent agencies and present the same before the Board, whenever required;
5. Review and recommend to the Board the Annual Report on CSR activities which is required to be included in the Boards' Report of the Company.
6. To review the CSR Policy of the Company including the scope of ESG from time to time;
7. Discharge such duties and functions as indicated in the section 135 of the Companies Act, 2013 and Rules made thereunder from time to time and such other functions as may be delegated to the Committee by the Board from time to time.
8. Take all necessary actions as may be necessary or desirable and also to settle any question or difficulty or doubts that may arise with regards to Corporate Social Responsibility activities/Policy/ ESG of the Company

Environmental, Social, and Governance ('ESG')

1. To review and recommend ESG Practices of the Company;
2. To promote ESG-related ideas and integrate ESG into the Company's process / goals and oversee the integration of ESG factors in its business strategy;
3. To monitor and assess the Company's ESG impact and initiatives;
4. To ensure compliance with applicable ESG laws, regulations and reporting requirements;
5. To review and approve ESG-related disclosures in Company reports, as applicable; and
6. To perform such other activities as may be delegated by the Board or specified/ provided by the SEBI (LODR) Regulations, 2015, or statutorily prescribed under any other law or by any other regulatory authority.

Risk Management Committee

The Risk Management Committee of the Board was constituted in compliance with the provision of Regulation 21 of the SEBI Listing Regulations. It is primarily responsible to develop a Risk Management Framework which helps the Company in identification, assessment, prioritization, mitigate, monitor and report the risks. The Company Secretary of the Company acts as a Secretary to the Committee.

During the financial year review, 2 (two) meetings of Risk Management Committee of the Company were held on July 05, 2023 and December 20, 2023.

The details of composition of the Committee and attendance of meetings by each Committee Member are as follows:

Name of the Members	Designation in the Committee	Particulars of attendance	
		No. of meetings held during the Member's tenure	No. of meetings attended by the Member
Ms. Ameera Shah	Chairperson	2	1
Mr. Subramanian Ranganathan ¹	Member	1	1
Mr. Surendran C.	Member	2	2
Mr. Milind Sarwate ¹	Member	1	1

¹Mr. Milind Sarwate ceased to be member of the Committee w.e.f. September 06, 2023 and Mr. Subramanian Ranganathan was appointed in his place as a member of the Committee w.e.f. September 07, 2023.

The Chairperson of the Risk Management Committee attended the AGM held during the financial year 2023-24 i.e. August 17, 2023. The Board has accepted all recommendations made by the Risk Management Committee during the year.

The brief terms of reference of the Risk Management Committee, inter alia, includes the following:

1. Oversee and guide in developing a structured/ defined framework for identifying and assessing and reporting of both existing and new risks associated with the Company so as to facilitate timely and effective management of risks and opportunities for achieving the Company's objectives;
2. Periodic review of Risk Management Framework ('the Framework') comprising of policies, procedures and practices of the Company and to assess the effectiveness of the same and initiate corrective actions wherever required including any change that may be required to the framework in the light of various external and internal factors (whether political, sociological or technical or other) which will have impact on the business of the Company;
3. Adopt and review periodically best business practices and policies;
4. Review and monitor compliance with the regulatory framework and the statutory requirements;
5. Set/define standardized approach for minimization and mitigation of identified risks;

CORPORATE GOVERNANCE REPORT (Contd.)

6. Review and guide the senior management from time to time in setting up a work culture which would encourage staff/team of the Company at all levels to identify risks and opportunities and respond them effectively;
7. Review reports on any material breaches of risk limits/parameters and the adequacy of the proposed action; and
8. Before a decision to proceed is taken by the board, advise the board on proposed strategic transactions including acquisitions or disposals, ensuring that a due diligence appraisal of the proposition is undertaken, focusing in particular on risk aspects and implications for the risk appetite and tolerance of the Company, and taking independent external advice where appropriate and available

3. SENIOR MANAGEMENT

List of Senior Management Personnel as on March 31, 2024 is as follows:

Sr. No.	Names of Senior Management Personnel	Designation
1.	Mr. Surendran Chemmenkotil	Chief Executive Officer
2.	Mr. Rakesh Agarwal	Chief Financial Officer
3.	Dr. Nilesh Shah	President and Chief of Science and Innovation
4.	Dr. Kirti Z Kazi	Chief Scientific Officer
5.	Mr. Avadhut Joshi	Chief Business Development Officer
6.	Ms. Ishita Medhekar	Chief People Officer
7.	Mr. Alangadan Kannan	Chief Operating Officer
8.	Mr. Mohan Menon	Chief Marketing Officer
9.	Mr. Bhoopendra Rajawat	Chief Business Officer
10.	Mr. Puneet Kumar Nigam	Chief Quality Officer
11.	Mr. Ravikumar Kartha	Head PMO and Strategy
12.	Mr. Umesh Rai	Head – Emerging Business
13.	Mr. Ajit Vetha	National Head - Distribution and Channels
14.	Mr. Abdur Razzaque	Group IT Head
15.	Mr. Kamlesh C Kulkarni	Head - Legal and Secretarial

Changes in Senior Management Personnel, since the close of the previous financial year are as follows:

1. Mr. Mohan Menon was appointed as Chief Marketing Officer w.e.f. August 02, 2023.
2. Mr. Avadhut Joshi was appointed as Chief Business Development Officer w.e.f. February 02, 2024.
3. Ms. Neha Shah was appointed as Interim Company Secretary of the Company w.e.f. June 20, 2023, and stepped down from the position w.e.f. February 03, 2024.
4. Mr. Kamlesh C Kulkarni was appointed as Head - Legal and Secretarial w.e.f. February 03, 2024.

4. POLICIES AND PROCESSES

Code of Conduct for Board Members and Senior Management Personnel ("Code")

The Company's Code is the principal document stems on the core values of the Company viz (i) Commitment to excellence; (ii) Integrity including intellectual honesty, openness, fairness and trust; (iii) Care for people; (iv) Socially-valued enterprise and (v) Business Integrity with focus to become a dynamic and successful business organization. All the Directors and Senior management are mandated to act honestly, fairly, ethically and with integrity, and conduct themselves in a professional, courteous and

CORPORATE GOVERNANCE REPORT (Contd.)

respectful manner. They are also mandated to provide annual affirmation on compliance with the Code. The Code is displayed on the website of the Company at https://www.metropolisindia.com/newdata/Investors/Disclosures%20under%20Regulation%2046%20of%20LODR/MHL_Code-of-Conduct-for-Directors-and-Senior-Management.pdf

Code of Conduct Declaration

All Board members and Senior Management personnel have affirmed their compliance with the Code of Conduct for the financial year 2023-24. A declaration on compliance with the Code of Conduct, duly signed by Mr. Surendran Chemmenkotil, Chief Executive Officer of the Company, forms part of this Report.

Conflict of Interest

We have set up a process for avoidance of conflict of interest in the Company this includes mandating each Director to share the information about interest in other entity including Board and the Committee/ Chairmanship positions that he/she occupies in other companies on annual basis or whenever there is a change during the year. Members of the Board while discharging their duties avoid conflict of interest in the decision-making process.

Policy on Materiality of Related Party Transactions and dealing with Related Party Transactions

All transactions entered into with the Related Parties during the financial year 2023-24 were in the ordinary course of business and on at arm's length basis. Therefore, it does not attract Section 188 of the Act. Further, the Company has not entered into a materially significant transaction with the Related Parties which attracts Regulation 23 of the SEBI Listing Regulations. As a process all the transactions with the Related Parties are placed before the Audit Committee for its approval and a statement of Related Party Transaction is also placed before the Audit Committee to ensure the transactions are within the limits approved by the Audit Committee.

The Board has approved a policy for Related Party Transactions which is available on the website of the Company at https://www.metropolisindia.com/newdata/Investors/Disclosures%20under%20Regulation%2046%20of%20LODR/MHL_RPT%20Policy%20V2_final_for%20uploadin.g.pdf

For list of all related party transactions during the financial year 2023-24, please refer note no. 39 of the standalone financial statements.

Policy on Materiality

The Company has adopted a Policy for Determining Materiality of Events / Information in line with the requirements of Regulation 30 of the SEBI Listing Regulations which is available on the website of the Company at https://www.metropolisindia.com/newdata/Investors/Disclosures%20under%20Regulation%2046%20of%20LODR/MHL_RPT%20Policy%20V2_final_for%20uploadin.g.pdf

This policy outlines the criteria for determining any material event/information which may trigger disclosure to stock exchanges. The event/information is treated as material based on the materiality threshold viz deemed material, quantitative and qualitative criteria for triggering of events. The Company conducts awareness programs for key stakeholders to ensure they are aware of the manner in which any material event or information has to be dealt with. The contact details of Key Managerial Personnels authorized to determine and disclose the material information/event are available on the website of the Company at <https://www.metropolisindia.com/newdata/Investors/Disclosures%20under%20Regulation%2046%20of%20LODR/contact-details-of-kmp-determination-of-materiality-of-events.pdf>.

Policy for determining 'material' subsidiaries

The Company does not have any material unlisted Indian Subsidiary as defined under Regulation 24 of the SEBI Listing Regulations. However, as a process, and to ensure identification of material subsidiary in near future, the Company has formulated a policy for determining material subsidiaries in terms of the SEBI Listing Regulations. This Policy has been posted on the website of the Company at https://www.metropolisindia.com/newdata/Investors/Disclosures%20under%20Regulation%2046%20of%20LODR/9+MHL_Policy+for+determination+of+Material+Subsidiary.pdf

The Audit Committee reviews the financial statements and in particular, the investments made by the unlisted subsidiary companies. The minutes of the

CORPORATE GOVERNANCE REPORT (Contd.)

Board meetings of the subsidiaries are placed at the meeting of the Board of Directors of the Company. The management of the unlisted subsidiary periodically brings to the notice of the Board of Directors of the Company a statement of all significant transactions and arrangements entered into by the unlisted subsidiary, if any.

Policy on Dividend Distribution

The Company has adopted Dividend Distribution Policy for distributing the profits of the Company to the shareholders as defined under Regulation 43A of the SEBI Listing Regulations. The said policy is available on the website of the Company at <https://www.metropolisindia.com/newdata/Investors/Disclosures%20under%20Regulation%2046%20of%20LODR/MHL-Dividend-Distribution-Policy.pdf>

Policy on Preservation & Archival of Documents & Record

The Company has adopted a Policy on Preservation & Archival of Documents & Record as defined under Regulation 9 of the SEBI Regulations. This Policy provides for the mechanism to preserve, archive and disposal of documents of the Company. The said policy is available on the website of the Company at https://www.metropolisindia.com/newdata/Investors/code-of-conduct/MHL_Policy-on-Preservation-of-Documents-and-Archival.pdf

Code on prohibition of Insider Trading

In view of requirements under SEBI (Prohibition of Insider Trading) Regulations, 2015 ("PIT Regulations") as amended from time to time, the Company has formulated a comprehensive Code of Fair Disclosure of Unpublished Price Sensitive Information ("Code") to regulate and monitor trading by Designated Persons and their immediate relatives. The Code inter-alia, includes the manner in which any Unpublished Price Sensitive Information ("UPSI") should be handled, process for preclearance and reporting of trading etc. The Company also conducts various awareness programs highlighting the Dos and Don'ts, the penal consequences of non-adherence to the Code and the necessity to maintain Structured Digital Database.

The Code also provides steps to ensure fair and uniform disclosure of UPSI. The said Code is available on the website of the Company at <https://www.metropolisindia.com/newdata/Investors/code-of-conduct/MHLCode-of-Conduct-for-PIT-13-09-2021.pdf>

The Company Secretary of the Company is the Compliance Officer for monitoring adherence to the said PIT Regulations and in absence of Company Secretary, Chief Financial Officer acts as Compliance Officer for the same. A periodic update is also provided to the Audit Committee on the effectiveness of the processes and systems required under the Code.

Vigil mechanism

The Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism as defined under Regulation 22 of the SEBI Listing Regulations to provide a formal mechanism to the Directors and employees to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Ethics. The Policy also provides for a dedicated email id viz compliance@metropolisindia.com and in exceptional cases, the Directors and employees may write to Audit Committee Chairperson at audit.chairman@metropolisindia.com for reporting genuine concerns including concerns on anonymous basis without fear of being reprimanded. The said policy is available on the website of the Company at <https://www.metropolisindia.com/newdata/Investors/Disclosures%20under%20Regulation%2046%20of%20LODR/Whistle-Blower-Policy-24.pdf>

Nature	Complaints Received	Complaint Resolved
Whistle Blower Policy	4	2
Sexual Harassment at Work place	0	1
Code of Conduct	5	4
Total	9	7

The action against the employees alleged to have been involved in the incident is testament to Company's commitment to ensure effectiveness of systems established under the Policy.

Disclosure in relation to Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The details of complaints received and redressed during the financial year 2023-24 are as under:

- Number of complaints filed during the financial year : 0
- Number of complaints disposed of during the financial year : 1
- Number of complaints pending as on end of the financial year : 0

CORPORATE GOVERNANCE REPORT (Contd.)
GENERAL INFORMATION FOR SHAREHOLDERS
Special Resolutions passed at the General Meetings

The details of Annual General Meetings convened during the last three financial years are as follows:

Particulars	F.Y. 2020-21	F.Y. 2021-22	F.Y. 2022-23
Date and Time	August 11, 2021 at 9:30 A.M.	August 17, 2022 at 9:30 A.M.	August 17, 2023 at 4:30 P.M.
Venue	Video Conferencing/Other Audio Visual Means	Video Conferencing/Other Audio-Visual Means	Video Conferencing/Other Audio-Visual Means
Special Resolution(s) passed	1. Approval for re-appointment of Ms. Ameera Shah (DIN: 00208095) as Managing Director of the Company	1. Approval for amendments to Metropolis - Restrictive Stock Unit Plan, 2020 ("MHL-RSU Plan, 2020") 2. Approval for extension of the Metropolis- Restrictive Stock Unit Plan, 2020 to the eligible employees of the Subsidiary(ies) and/or Associate Company(ies), if any, of the Company	1. To approve re-appointment of Mr. Sanjay Bhatnagar, (DIN: 00867848) as an Independent Director of the Company for a second term of five consecutive years 2. To approve re-appointment of Mr. Vivek Gambhir, (DIN: 06527810) as an Independent Director of the Company for a second term of five consecutive years

Details of Special Resolution passed through Postal Ballot

During the year, the Company had passed Special Resolutions through Postal Ballot for the appointment of Mr. Subramanian Ranganathan (DIN: 00125493) as a Non-Executive Independent Director of the Company. The postal ballot was conducted in accordance with the provisions of the Companies Act, 2013, read with Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014 and related Circulars issued by the Ministry of Corporate Affairs ("MCA").

Date of postal ballot notice	August 02, 2023				
Date of declaration of results	October 31, 2023				
Voting period	September 28, 2023 to October 27, 2023				
Scrutinizer	Mr. Vijay Yadav, Practicing Company Secretary, conducted the postal ballot exercise as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.				
Voting Results:	No of votes polled	Votes cast in favour		Votes cast against	
		No. of votes in favour	% in favour	No. of votes against	% in against
	4,44,11,303	4,31,89,556	97.24	12,21,747	2.76

Currently, there are no matters which are required to be passed as a Special resolution through a Postal ballot. Special Resolution by way of a Postal Ballot, if required to be passed in the future, will be decided at that relevant time and the same would be communicated to the stakeholders.

Means of Communication

Financial Results	The Company communicates to the Stock Exchanges about the annual, half yearly and quarterly financial results within 30 minutes from the conclusion of the Board Meeting in which the same is approved. The results are usually published in (Financial Express/Free Press Journal) English newspaper having country-wide circulation and in (Loksatta/Navshakti) Marathi newspaper where the registered office of the Company is situated. These results were also placed on the website of the Company at www.metropolisindia.com
News and Press release	The official news and press releases are disseminated to the Stock Exchanges and displayed on the website of the Company.

CORPORATE GOVERNANCE REPORT (Contd.)

Earning conference calls and presentations to Institutional Investors / Analysts	The Company organizes an earnings conference call with analysts and investors after the announcement of financial results. The transcript of the earnings call and presentations made to institutional investors and financial analysts are uploaded on the Company's website as well as filed with the stock exchanges where the securities of the Company are listed.
Annual Report	Annual Report containing inter alia Audited Financial Statement, Consolidated Financial Statements, Boards' Report, Corporate Governance Report, Auditor's Report, Business Responsibility and Sustainability Report and other important information are sent to the shareholders and others entitled thereto. The Management's Discussion and Analysis Report forms part of the Boards' Report in the Annual Report. The Annual Report is displayed on the website of the Company at www.metropolisindia.com
Communication to shareholders on Email	As mandated by the MCA, documents like Notices, Annual Report, etc. were sent to the shareholders at their email address, as registered with their Depository Participants/ Company/ Registrar and Transfer Agents ("RTA"), which helped in prompt delivery of document, reduce paper consumption, save trees and avoid loss of documents in transit.
Website	All the information and disclosures required to be disseminated as per Regulation 46(2) of the SEBI Listing Regulations and the Act are available on the website of the Company at www.metropolisindia.com under Investors section.
Designated E- mail address for investor services	The Company organizes investor conference call to discuss its Financial Results, where investor queries are answered by the Executive Management of the Company. The transcript of the conference call is posted on the website of the Company viz. www.metropolisindia.com . To serve the investors better and as required under SEBI Listing regulations, the designated e-mail address for investors complaints is investor.relations@metropolisindia.com

General information and Annual General Meeting

The Company is registered with the Registrar of Companies, Mumbai, Maharashtra. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs is L73100MH2000PLC192798.

Sr. No	Particulars	Information
1	AGM date, time and venue	Wednesday, August 21, 2024 at 10:00 A.M. (IST) through Video Conferencing
2	Financial Year	April 01 to March 31 of the next calendar year
3	Book Closure Date	Not Applicable
4	Dividend	The Board of Directors at its meeting held on November 04, 2023, declared an interim dividend of INR 4/- per equity share of face value of INR 2/- each (i.e., 200%) on 5,12,23,594 fully-paid up equity shares aggregating to total outflow of INR 20,48,94,376/-. The Interim Dividend was paid to those shareholders whose names appeared in the Register of Members as on the record date i.e. November 17, 2023. In order to conserve the resources for business requirements, the Board of Directors do not recommend final dividend for the financial year 2023-24.
5	Name and Address of Stock Exchanges where Company's securities are listed and scrip code	National Stock Exchange of India Ltd. Address: Exchange Plaza, C-1, Block G, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051 Trading Symbol – METROPOLIS BSE Limited Address: Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001 Scrip Code: 542650
6	Listing fees	The Annual Listing fees for the financial year 2023-24 have been paid to the respective Stock Exchanges.

CORPORATE GOVERNANCE REPORT (Contd.)

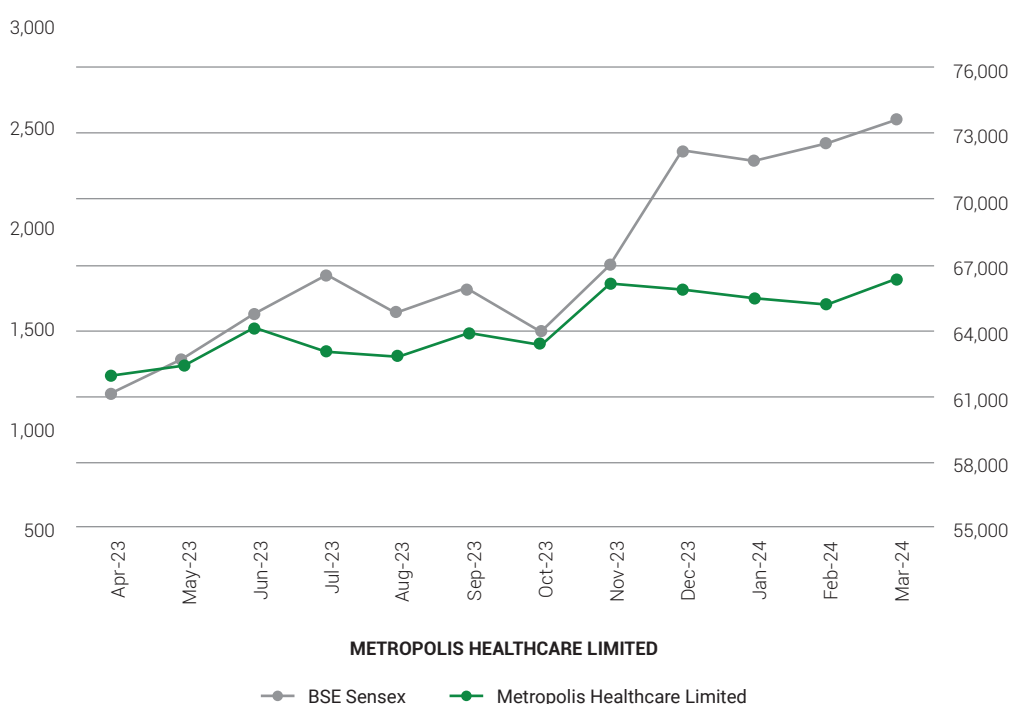
7	Share Registrar and Transfer Agents	Link Intime India Private Limited Address: C 101, 247 Park, L.B.S.Marg, Vikhroli (West), Mumbai - 400083, Maharashtra, India Tel No.: + 91-8108 118 767 Fax No.: +91-022-49186060 Investor query registration: rnt.helpdesk@linktime.co.in
8	Company Secretary & Compliance officer	Mr. Kamlesh Kulkarni (Head – Legal & Secretarial)
9	Address of correspondence	4 th Floor, East Wing, Plot-254 B, Nirlon House, Dr. Annie Besant Road, Worli, Mumbai 400030, Maharashtra

Market Share Price Information

The high and low prices and volumes of your Company's shares at BSE for the financial year 2023-24 are as under:

Month	Company		Sensex		No. of shares Transacted
	High	Low	High	Low	
April 2023	1,319.00	1,214.70	61,209.46	58,793.08	1,11,953
May 2023	1,369.50	1,209.25	63,036.12	61,002.17	2,42,556
June 2023	1,520.35	1,260.05	64,768.58	62,359.14	3,77,448
July 2023	1,516.00	1,362.50	67,619.17	64,836.16	2,38,941
August 2023	1,440.25	1,296.00	66,658.12	64,723.63	2,61,391
September 2023	1,530.00	1,333.10	67,927.23	64,818.37	2,13,647
October 2023	1,582.25	1,361.25	66,592.16	63,092.98	13,78,696
November 2023	1,711.15	1,404.00	67,069.89	63,550.46	2,90,689
December 2023	1,754.05	1,550.05	72,484.34	67,149.07	2,44,916
January 2024	1,741.80	1,450.05	73,427.59	70,001.60	7,79,723
February 2024	1,828.70	1,576.70	73,413.93	70,809.84	2,31,748
March 2024	1,814.35	1,555.55	74,245.17	71,674.42	3,80,315

*Price movement is based upon Company's monthly closing price vs. Sensex monthly closing

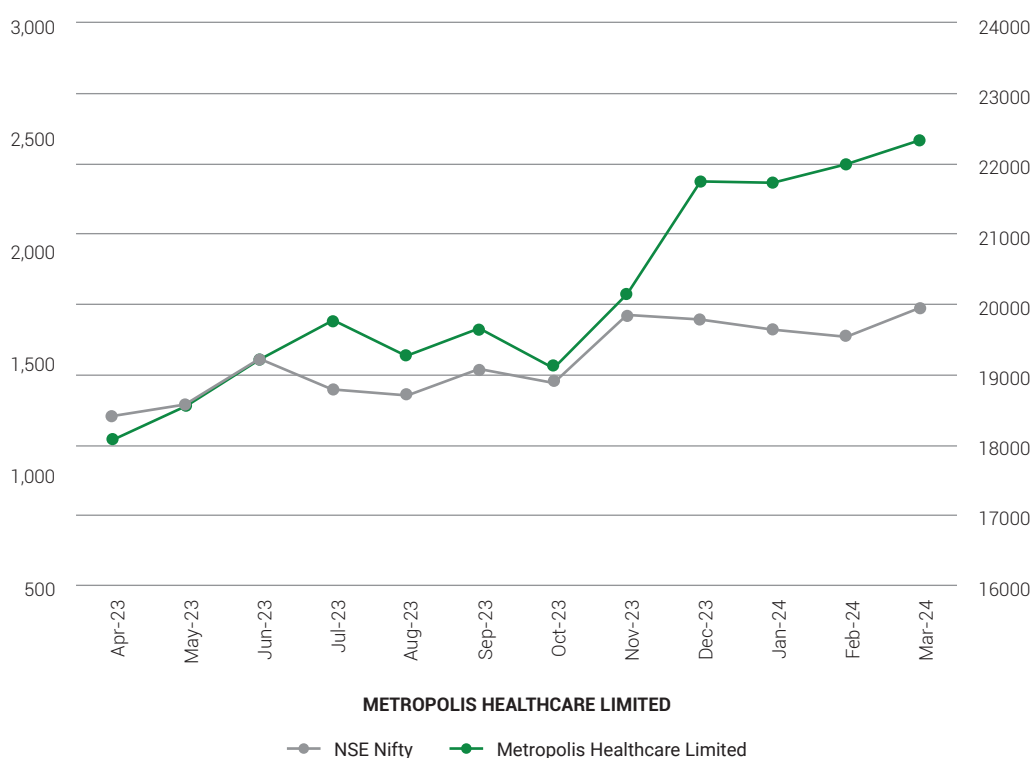


CORPORATE GOVERNANCE REPORT (Contd.)

The high and low prices and volumes of your Company's shares at NSE for the financial year 2023-24 are as under

Month	Company		Nifty		No. of shares Transacted
	High	Low	High	Low	
April 2023	1,320	1,214	18,089	17,313	34,91,544
May 2023	1,370	1,209	18,116	18,042	64,85,697
June 2023	1,520	1,261	19,202	18,465	1,02,57,678
July 2023	1,517	1,362	19,992	19,234	52,69,863
August 2023	1,441	1,296	19,796	19,224	61,17,182
September 2023	1,530	1,332	20,222	19,256	62,85,918
October 2023	1,582	1,360	19,850	18,838	83,17,364
November 2023	1,712	1,401	20,159	18,974	82,75,182
December 2023	1,755	1,540	21,801	20,184	78,07,080
January 2024	1,743	1,450	22,124	21,137	84,54,806
February 2024	1,831	1,572	22,298	21,530	77,24,395
March 2024	1,815	1,551	22,527	21,710	65,61,299

*Price movement is based upon Company's monthly closing price vs. Nifty monthly closing



Distribution of shareholding as on March 31, 2024

Range	Holders	% to Total Holders	Holding	Amount (INR)	% of issued Capital
1 to 500	68752	99.0192	19,10,475	38,20,950	3.7294
501 to 1000	287	0.4133	2,10,779	4,21,558	0.4115
1001 to 2000	146	0.2103	2,06,043	4,12,086	0.4022
2001 to 3000	37	0.0533	91,712	1,83,424	0.1790
3001 to 4000	22	0.0317	77,529	1,55,058	0.1513

CORPORATE GOVERNANCE REPORT (Contd.)

Range	Holders	% to Total Holders	Holding	Amount (INR)	% of issued Capital
4001 to 5000	15	0.0216	65,828	1,31,656	0.1285
5001 to 10000	32	0.0461	2,30,467	4,60,934	0.4499
10001 & Above	142	0.2045	4,84,34,028	9,68,68,056	94.5481
Total	69,433	100	5,12,26,861	10,24,53,722	100

Shareholding pattern as on March 31, 2024

Sr. No.	Category of Shareholders	No. of Shares	% to Total Holding
A.	Promoters and Promoter Group	2,54,42,991	49.67
B.	Public Shareholding	2,57,83,870	50.33
1.	Mutual Funds	1,09,16,007	21.31
2.	Alternate Investment Funds -	1,35,429	0.26
3.	Insurance Companies	16,83,032	3.29
4.	Foreign Portfolio Investors Category – I	83,85,505	16.37
5.	Foreign Portfolio Investors Category – II	12,97,697	2.53
7.	Key Managerial Personnel	1,494	0.01
8.	Resident Individual Holding nominal share capital up to INR 2 Lakhs	26,84,120	5.24
9.	Non Resident Indians (NRIs)	98,160	0.19
10.	Body Corporate	4,35,398	0.85
11.	Trusts	30	0.00
12.	Limited Liability Partnerships	16,188	0.03
13.	Hindu Undivided Family	68,103	0.13
14.	Clearing Members	62,706	0.12
Total		5,12,26,861	100

Top ten equity shareholders of the Company (other than promoters) as on March 31, 2024:

Sr. No.	Name of the Shareholder	Number of equity shares held of INR 2/- each	Percentage of holding
1	HDFC Mutual Fund	34,06,307	6.65
2	UTI Mutual Funds	27,93,325	5.45
3	J P Morgan Funds	11,37,042	2.22
4	SBI Life Insurance Co. Ltd	10,96,700	2.14
5	Nippon Life India Trustee Ltd - A/C Nippon India Small Cap Fund	10,85,411	2.12
6	Quant Mutual Fund - Quant Small Cap Fund	8,65,468	1.69
7	Franklin India Smaller Companies Fund	7,90,459	1.54
8	Caisse De Depot Et Placement Du Quebec - First Sentier Investors International IM Limited	7,40,148	1.44
9	J P Morgan Indian Investment Trust PLC	7,09,652	1.39
10	The Scottish Oriental Smaller Companies TrustPLC	6,09,831	1.19

Dematerialization of shares and liquidity

The Company has established connectivity with Central Depository Services (India) Limited ("CDSL") and National Securities Depository Limited ("NSDL") for dematerialization of equity shares and the same are available in electronic segment under ISIN: INE112L01020. Equity shares representing 100% of the company's share Capital are dematerialized as on March 31, 2024.

CORPORATE GOVERNANCE REPORT (Contd.)

Share Transfer System

Shareholders holding equity shares in electronic form may please note that instructions regarding change of address, bank details, email address, nomination and power of attorney should be given directly to the Depository Participant (DP).

The equity shares of the Company are regularly traded at both the Stock Exchanges where they are listed, which ensures the necessary liquidity to shareholders.

Physical and Dematerialized shares as on March 31, 2024	Shares	% of Total Issued Capital
No. of shares held in dematerialized form in CDSL	15,98,314	3.12%
No. of shares held in dematerialized form in NSDL	4,96,28,547	96.88%
No. of Physical Shares	0	-
Total	5,12,26,861	100.00

Grievance Mechanism

The Company has adopted efficient grievance mechanism to address the queries/complaints of its shareholder. Link Intime India Private Limited, is the Registrar and Share Transfer Agent, which also supports Company in resolving the investor complaints/queries.

Following are the contact details of persons in case of any query or complaints regarding the shares of the Company:

Name	Designation	Contact Details
Mr. Kamlesh Kulkarni	Head – Legal & Secretarial	Address: 4 th Floor, East Wing, Plot-254 B, Nirlon House, Dr. Annie Besant Road, Worli, Mumbai - 400030, Maharashtra Tel. No.: +91 8422 801 801 Fax No.: NA Email: secretarial@metropolisindia.com/investor.relations@metropolisindia.com
Mr. Shanti Gopalkrishnan	President – Primary Market	Link Intime India Private Limited Address: C-101, 1 st Floor, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400083 Tel No: + 91 8108 116 767 Fax No. 022 49186060 Email: rnt.helpdesk@linkintime.co.in

The details of investor complaints received / redressed during the financial year 2023-24 are as under:

Complaints as on April 01, 2023	Received during the year	Resolved during the year	Pending as on March 31, 2024
0	1	1	0

Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity

As on March 31, 2024, there are no GDR/ ADR/ Warrants or any Convertible Instruments pending conversion or any other instruments likely to impact the equity share capital of the Company.

Commodity price risk or foreign exchange risk and hedging activities

The Company has taken suitable steps from time to time for protecting it against foreign exchange risk(s). The Company does not enter into hedging activities. As such, the Company is not exposed to any commodity price risk, and hence the disclosure under

Clause 9(n) of Part C of Schedule V in terms of the format prescribed vide SEBI Circular, dated November 15, 2018, is not required.

Address for Correspondence**A. Registered Office Address:**

Metropolis Healthcare Limited
4th Floor, East Wing, Plot-254 B, Nirlon House,
Dr. Annie Besant Road, Worli, Mumbai - 400030,
Maharashtra
Tel.: +91 8422 801 801, Fax: NA
Email ID: secretarial@metropolisindia.com / investor.relations@metropolisindia.com
Website: www.metropolisindia.com

CORPORATE GOVERNANCE REPORT (Contd.)

B. Company's Registrar and Share Transfer Agent Address:

Link Intime India Private Limited
C 101, 247 Park, L. B. S. Marg, Vikhroli (West),
Mumbai – 400 083, Maharashtra, India
Tel No.: +91-8108 116 767, Fax No.: +91-22-4918 6060
Investor query registration: rnt.helpdesk@linintime.co.in

Equity Shares in the suspense account

The Company does not have any equity shares in the suspense account.

Transfer of unclaimed/unpaid amount to the Investor Education and Protection Fund

No unpaid/unclaimed dividend for the financial year 2015-16 was required to be transferred to the Investor Education and Protection Fund during the financial year 2023-24.

Plant Location

Since the Company provides services, the Company does not have any manufacturing plant. It operates from Registered & Corporate Office and branches located at different places throughout India.

Our Laboratory network consists of 199 labs (including 1 Global Reference Lab in Mumbai and 13 regional labs)

Credit Rating

The Company has obtained credit rating from CRISIL for Non-Convertible Debentures ("NCD") and bank loan facility as on October 03, 2023. The Company has received rating of AA-/Stable for Long Term Facility and NCD, and CRISIL A1+ for Short Term Facility.

Further, the Company has no outstanding loans and has not issued any NCD as on March 31, 2024.

Details of non-compliance by the Company, penalties, strictures imposed on the Company by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years

No penalties, strictures were imposed on the Company by the Stock Exchanges or SEBI or any Statutory Authority on any matter related to Capital Markets.

Compliance with mandatory requirements

The Company has complied with all applicable mandatory requirements of the SEBI Listing Regulations as on March 31, 2024. Quarterly Report on Corporate Governance, in the prescribed format, was

submitted with the Stock Exchanges where the shares of the Company are listed.

Utilization of proceeds of public, rights and preferential issues

The Company has not raised any fund through Preferential Allotment or Qualified Institutions Placement as specified under Regulation 32 (7A) of the SEBI Regulations, during the financial year ended March 31, 2024.

Certificate from a Company Secretary in Practice

A certificate from M/s. RM Shah & Co., Company Secretaries in Practice have been obtained certifying that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of the Company by SEBI / MCA or any such statutory authority and the same is attached with this Annual Report.

Audit Fees

Total fees paid by the Company and its subsidiaries, on a consolidated basis to M/s. BSR & Co, LLP, Chartered Accounts, Statutory Auditor and all entities in its network firm/network entity, during the financial year 2023-24:

Particulars	Amount (including GST) (In INR)
Audit Fees	1,29,36,000
Other Services/ certifications	9,48,842
Reimbursement of expenses	23,51,158
Total	1,62,36,000

Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount

The Company and its subsidiaries during the financial year under review have not given any 'Loans and Advances' in the nature of loans to any of the firms/ Company in which the Directors are interested.

Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries

The Company as on date does not have any material subsidiaries.

Compliance with Corporate Governance Requirements

A certificate from M/s. Manish Ghia & Associates, Company Secretaries confirming compliance with corporate governance requirements under the SEBI Listing Regulations is given at page no. 154 of this Annual Report

CORPORATE GOVERNANCE REPORT (Contd.)

Accounting treatment

The Financial Statement of the Company for financial year 2023-24 have been prepared in accordance with the applicable accounting principles in India and the Indian Accounting Standards (Ind AS) prescribed under section 133 of Act read with the rules made thereunder.

Adaption and Compliance of Non-mandatory Requirements**The Board:**

As per Para A of Part E of Schedule II of the SEBI Listing Regulations, a Non-Executive Chairman of the Board may be entitled to maintain a Chairman's Office at the Company's expense and allowed reimbursement of expenses incurred in performance of his duties. The Chairman of the Company is an Executive Director and hence this provision is not applicable to us.

Shareholder Rights

We display our quarterly and half yearly results on our website www.metropolisindia.com and also publish our results in widely circulated newspapers.

Audit Qualifications

There were no qualifications in the Standalone and the Consolidated Financial Statements of the Company for the financial year ended March 31, 2024.

Internal Auditors

The Internal Auditors directly report to the Audit Committee of the Company.

Non-compliance of any requirement of corporate governance report

There have been no instances of non-compliance of any requirement of the Corporate Governance Report as prescribed by the SEBI Listing Regulations.

The Company is in compliance with the mandatory requirements of Corporate Governance as specified in Regulations 17 to 27; clauses (b) to (i) of sub-regulation (2) of Regulation 46 and Schedule V of the SEBI Listing Regulations

Disclosure of certain types of agreements binding listed entities

There are no such agreement(s) subsist as defined in clause 5A to para A of part A of schedule III of SEBI Listing Regulations which are impacting the Management or control of the Company or imposing any restriction or creating any liability upon the Company.

CEO/CFO Certification

The 'Chief Executive Officer & Chief Financial Officer (CEO & CFO)' have certified to the Board with regard to the compliance made by them in terms of Regulation 17(8) read with Part B of Schedule II of SEBI Listing Regulations and the said certificate forms part of this Report.

For and on behalf of the Board of Directors

Sd/-

Dr. Sushil Shah

Chairman & Executive Director

DIN: 00179918

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,

The Members of

METROPOLIS HEALTHCARE LIMITED

4th Floor, East Wing, Plot-254 B Nirlon House,

Dr. Annie Besant Road, Worli,

Mumbai-400030, Maharashtra, India

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **METROPOLIS HEALTHCARE LIMITED** (hereinafter referred to as 'the Company') having CIN L73100MH2000PLC192798 and having registered office at 4th Floor, East Wing, Plot-254 B Nirlon House, Dr. Annie Besant Road, Worli, Mumbai-400030, Maharashtra, India, provided to us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary, and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority:

S. No.	DIN	Name of the Director	Date of Appointment
1.	00179918	Sushil Kanubhai Shah	August 17, 2005
2.	00208095	Ameera Sushil Shah	May 06, 2008
3.	00867848	Sanjay Bhatnagar	September 07, 2018
4.	01635195	Hemant Sachdev	May 27, 2021
5.	06527810	Vivek Gambhir	September 07, 2018
6.	00118188	Anita Ramachandran	May 14, 2020
7.	00125493	Subramanian Ranganathan	August 21, 2023

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For RM Shah & Co.
(Company Secretaries)

Rashmi Shah

Proprietor

Membership No: A24722

COP No.: 22489

Peer Review No. 3350/2023

UDIN: A024722F000506555

Date: May 30, 2024

Place: Mumbai

CEO AND CFO CERTIFICATION

Pursuant to Regulation 17 (8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

To,
The Board of Directors,
Metropolis Healthcare Limited

We, the undersigned to the best of our knowledge and belief, certify that:

- A. We have reviewed Financial Statements and the cash flow statement for the financial year 2023-2024 and that to the best of our knowledge and belief:
1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the step we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the Auditors and the Audit Committee:
1. Significant changes, if any, in the internal control over financial reporting during this year;
 2. significant changes, if any, in the accounting policies this year and that the same have been disclosed in the notes to the Financial Statements; and
 3. Instances of significant fraud, if any, of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control systems over financial reporting.

Sd/-
Surendran Chemmenkotil
Chief Executive Officer

Sd/-
Rakesh Kumar Agarwal
Chief Financial Officer

Date: May 21, 2024
Place: Mumbai

COMPLIANCE WITH CODE OF CONDUCT

Pursuant to the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I, Surendran C, Chief Executive Officer of the Company hereby declare that the Board members and the Senior Management Personnel of the Company have affirmed the compliance with the Code of Conduct of the Company for the financial year ended March 31, 2024.

Thanking you,
Yours faithfully,

Sd/-

Surendran C

Chief Executive Officer

Date: May 21, 2024

Place: Mumbai

ANNEXURE TO THE CORPORATE GOVERNANCE REPORT

To

The Members

Metropolis Healthcare Limited

Mumbai – 400030.

We have examined the compliance of conditions of Corporate Governance by **Metropolis Healthcare Limited**, for the year ended on March 31, 2024 as stipulated under Regulation 34 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said Listing Regulations.

In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Directors and the Management, we certify that the Company has complied with the mandatory conditions of Corporate Governance as stipulated in relevant regulation(s) of above mentioned Listing Regulations.

We state that such compliance is neither an assurance as to future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Manish Ghia & Associates**
Company Secretaries
(Unique ID: P2006MH007100)

Sd/-

CS Mannish L. Ghia

Partner

M. No. FCS 6252, C.P. No. 3531
PR 822/2020

Place: Mumbai

Date: May 21, 2024

UDIN: F006252F000392319

Independent Auditor's Report

To the Members of Metropolis Healthcare Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Metropolis Healthcare Limited (the "Company") which comprise the standalone balance sheet as at 31 March 2024, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, and its profit and other comprehensive loss, changes in equity and its cash flows for the year ended on that date.

Key audit matter 1

Impairment assessment of Goodwill and Intangible asset with indefinite life

See Note 4 to standalone financial statements

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Key Audit Matter(s)

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matter	How the matter was addressed in our audit
<p>As disclosed in Note 4, The Company's standalone financial statements includes Goodwill aggregating Rs. 41,542.55 lakhs pertaining to past acquisitions/ amalgamations. Further, the Company's Standalone Financial Statements also includes intangible assets with indefinite life ('Brand') aggregating Rs. 29,387.00 lakhs, which was acquired pursuant to acquisition of Dr. Ganesan's Hitech Diagnostic Centre Private Limited, which together represents 48% of total assets of the Company as at 31 March 2024.</p> <p>The Company tests goodwill and indefinite life intangible asset for impairment annually, or more frequently when there is an indication, the cash generating unit to which goodwill and indefinite life intangible asset has been allocated may be impaired.</p> <p>The recoverable value of the CGU which is based on the value in use model, has been derived from discounted cash flow model.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> ● Understanding the process followed by the Company in respect of the annual impairment analysis. ● Evaluating the design and implementation and testing the operating effectiveness of key internal controls related to the Company process of performing impairment assessment, including controls over determination of discount rate and terminal growth rate. ● Challenging the reasonableness of the assumptions, particularly forecasted revenue growth rate and related costs based on our knowledge of the Company and market. ● Assessing historical accuracy by comparing past forecasts to actual results achieved.

Independent Auditor's Report (Contd.)

The key audit matter	How the matter was addressed in our audit
<p>We identified the assessment of impairment indicators in respect of goodwill and indefinite life intangible asset as a key audit matter considering:</p> <ul style="list-style-type: none"> ● The significance of the value of goodwill and indefinite life intangible asset in the Standalone Balance Sheet. ● The degree of judgement involved in determining the recoverable amount of goodwill and indefinite life intangible asset including: <ul style="list-style-type: none"> i. Valuation assumptions such as discount rate and terminal growth rate. ii. Business assumptions such as revenue growth rate, related costs and the resultant cash flows projected to be generated from the above. 	<ul style="list-style-type: none"> ● Involving valuation professionals with specialised skills and knowledge to assist in evaluating the impairment model used and assumptions including discount rate and terminal growth rate applied by the Company by comparing it to a range of rates that were independently developed using publicly available market indices and market data for comparable entities. ● Testing data used to develop the estimate for completeness and accuracy. ● Performing a sensitivity analysis to evaluate the impact of change in key assumption individually or collectively to the recoverable value. ● Assessing the adequacy of disclosures in the standalone financial statements.
<p>Key audit matter 2</p> <p>Impairment assessment of Investments in subsidiaries</p> <p>See Note 5 to standalone financial statements</p>	
The key audit matter	How the matter was addressed in our audit
<p>The Company has investments in subsidiaries aggregating to Rs. 3,489.88 lakhs as at March 31, 2024. The Company records the investments at cost less any provision for impairment loss.</p> <p>Changes in business environment could have a significant impact on the valuation of these investments. As such, the investments are tested for any triggers for impairment. If triggers are identified, the recoverable amounts of the investments are determined and if the amount is lower than the carrying value of the investments, impairment loss is recognized in the statement of profit and loss.</p> <p>The recoverable amount, which is based on the value in use model, has been derived from discounted cash flow model.</p> <p>We identified the assessment of impairment indicators and resultant provisions, if any, in respect of investment in subsidiaries as a key audit matter considering:</p> <ul style="list-style-type: none"> ● The significance of the value of these investments in the Standalone Balance Sheet ● Performance and net worth of these entities ● The degree of judgement involved in determining the recoverable amount of these investments including: <ul style="list-style-type: none"> i. Valuation assumptions such as discount rate and terminal growth rate. ii. Business assumptions such as revenue growth rate, related costs and the resultant cash flows projected to be generated from the above. 	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> ● Understanding the process followed by the Company in respect of the annual impairment analysis for investments in subsidiaries. ● Evaluating the design and implementation and testing the operating effectiveness of key internal controls related to the Company's process relating to review of the annual impairment analysis, including controls over determination of discount rate and terminal growth rate. ● Assessed the indicators of impairment of investments in subsidiaries and compared the carrying values of the investment in subsidiaries with their respective net asset values and assessed the performance and their outlook. ● Evaluated key assumptions in the Company's valuation models used to determine recoverable amount including assumptions of projected earnings before interest, taxes and depreciation and amortisation, growth rate and related costs based on our knowledge of the Company and market. Assessing historical accuracy by comparing past forecasts to actual results achieved. ● Testing data used to develop the estimate for completeness and accuracy. ● Performing a sensitivity analysis to evaluate the impact of change in key assumptions individually or collectively to the recoverable value. ● Assessing the adequacy of the Company's disclosures in the standalone financial statements.

Independent Auditor's Report (Contd.)

Other Information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and auditor's report thereon. The Company's annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Company's annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

Management's and Board of Directors' Responsibilities for the Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/ loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going

concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of standalone financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events

Independent Auditor's Report (Contd.)

or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. A. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
 - c. The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e. On the basis of the written representations received from the directors as on 01 April 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164(2) of the Act.
 - f. the modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(b) above on reporting under Section 143(3)(b) and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
 - g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- a. The Company has disclosed the impact of pending litigations as at 31 March 2024 on its financial position in its standalone financial statements - Refer Note 41 to the standalone financial statements.
 - b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

Independent Auditor's Report (Contd.)

- c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- d. (i) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 54 to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (ii) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 54 to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.
- e. The interim dividend declared and paid by the Company during the year and until the date of this audit report is in accordance with Section 123 of the Act.
- f. Based on our examination which included test checks, except for the instances mentioned below, the Company has used accounting softwares for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective softwares:
 - i. In the absence of reporting on compliance with the audit trail requirements in the independent auditor's report of a service organisation for an accounting software used for maintaining books of accounts, which is operated by a third party software service provider, we are unable to comment whether audit trail feature for the said software was enabled at database level and operated throughout the year for all the relevant transactions recorded in the software.
 - ii. In the absence of an independent auditor's report in relation to controls at a service organisation for an accounting software used for maintaining customer records (operated from 1 November 2023 to 31 March 2024), we are unable to comment whether audit trail feature for the said software was enabled at database level and operated from 1 November 2023 to 31 March 2024 for all the relevant transactions recorded in the software.
 - iii. In the absence of sufficient and appropriate evidence due to decommissioning of an accounting software used for maintaining registration of patients (operated from 1 April 2023 to 31 October 2023), we are unable to comment whether audit trail feature for the said software was enabled and operated from 1 April 2023 to 31 October 2023 for all the relevant transactions recorded in the software.

Further, for the periods where audit trail (edit log) facility was enabled and

Independent Auditor's Report (Contd.)

operated throughout the year for the respective accounting softwares, we did not come across any instance of the audit trail feature being tampered with.

- C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act: In our opinion and according to the information and explanations given to us, the remuneration

paid/payable by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid/payable to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

Rajesh Mehra

Partner

Membership No.: 103145

ICAI UDIN:24103145BKFWKY6212

Place: Mumbai

Date: 21 May 2024

Annexure A to the Independent Auditor's Report

on the Standalone Financial Statements of Metropolis Healthcare Limited for the year ended 31 March 2024

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (i) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified once in every three years. In accordance with this programme, all the property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company, except for the following which are not held in the name of the Company:

Description of property	Gross carrying value (Rs in lakhs)	Held in the name of	Whether promoter, director or their relative or employee	Period held- indicate range, where appropriate	Reason for not being held in the name of the Company. Also indicate if in dispute
Freehold land	1,035.40	Lister Metropolis Laboratory and Research Centre Private Limited	No	30 January 2009	Merger adjudication pending
Building	482.80	Lister Metropolis Laboratory and Research Centre Private Limited	No	30 January 2009	Merger adjudication pending
Building	609.94	Dr. Sushil Kanubhai Shah Dr. Duru Sushil Shah	Promoter/ Director Relative of Director	16 August 2000	Title clearance report pending
Building	35.53	Dr. Golwilkar Laboratories Private Limited	No	30 September 2018	Merger adjudication pending
Building	1,266.01	Sanket Diagnostics Private Limited	No	16 March 2018	Merger adjudication pending
Building	192.52	Desai Metropolis Health Services Private Limited	NA	3 June 2022	Merger adjudication pending

- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

Annexure A to the Independent Auditor's Report (Contd.)

- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The inventory, except goods-in-transit, has been physically verified by the management during the year. For goods-in-transit subsequent evidence of receipts has been linked with inventory records. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company.
- (iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided guarantee or security or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. The Company has made investments and granted interest bearing unsecured loans to other parties in respect of which the requisite information is as below. The Company has not made any investments in or granted any loans, secured or unsecured, to companies, firms and limited liability partnerships.
- (a) Based on the audit procedures carried on by us and as per the information and explanations given to us the Company has provided loans to other parties as below:

Particulars	Guarantees	Security	Loans (Rs in lakhs)	Advances in nature of loans
Aggregate amount during the year Others	-	-	12.76	-
Balance outstanding as at balance sheet date - 31 March 2024 Others	-	-	12.20	-

- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion, the investments made and the terms and conditions of the grant of unsecured loans during the year are, prima facie, not prejudicial to the interest of the Company.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of interest bearing unsecured loans given, in our opinion the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular. Further, the Company has not granted advances in the nature of loan to any party during the year.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given advances in the nature of loans to any party during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties. Further, the Company has not given advances in the nature of loans to any party during the year.
- (f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.
- (iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not given any loans, or provided any guarantee or security as specified under Section 185 and 186 of the Companies Act, 2013 ("the Act"). In respect of the investments made by the Company, in our opinion the provisions of Section 186 of the Act have been complied with.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

Annexure A to the Independent Auditor's Report (Contd.)

(vi) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act in respect of services provided by it and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the records with a view to determine whether these are accurate or complete.

(vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, considering the principles of materiality as outlined in the Standards on Auditing, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Service tax, Provident Fund, Employees State Insurance, Income-Tax, cess or other statutory dues have generally been regularly deposited by the Company with the appropriate authorities. Amounts deducted/ accrued in the books of account in respect of undisputed statutory dues of Profession Tax have not been regularly deposited during the year by the Company with the appropriate authorities and there have been significant delays. As explained to us, the Company did not have any dues on account of Duty of Customs or Cess.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employee State Insurance, Income-Tax, or other statutory dues were in arrears as at 31 March 2024 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues which have not been deposited on account of any dispute are as follows:

Name of the statute	Nature of the dues	Amount (Rs. in lakhs)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
The Income Tax Act, 1961	Tax deducted at source	11.72	2007-08	Assessing Officer	
The Income Tax Act, 1961	Tax deducted at source	15.81	2008-09	Assessing Officer	
The Income Tax Act, 1961	Tax deducted at source	0.23	2009-10	Assessing Officer	
The Income Tax Act, 1961	Tax, interest and penalty	79.02	2017-18	Commissioner of Income Tax Appeals	
The Income Tax Act, 1961	Tax, interest and penalty	113.22	2018-19	Commissioner of Income Tax Appeals	
The Income Tax Act, 1961	Tax, interest and penalty	148.33	2020-21	Commissioner of Income Tax Appeals	
The Income Tax Act, 1961	Tax, interest and penalty	162.62	2020-21	Commissioner of Income Tax Appeals	
The Income Tax Act, 1961	Tax, interest and penalty	170.76	2021-22	Commissioner of Income Tax Appeals	
The Income Tax Act, 1961	Tax, interest and penalty	2,111.24	2023-24	Commissioner of Income Tax Appeals	

Annexure A to the Independent Auditor's Report (Contd.)

Name of the statute	Nature of the dues	Amount (Rs. in lakhs)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
The Income Tax Act, 1961	Tax, interest and penalty	1,273.95	2013-14	Commissioner of Income Tax (Appeals)	
The Income Tax Act, 1961	Tax, interest and penalty	29.96	2014-15	Commissioner of Income Tax (Appeals)	
The Income Tax Act, 1961	Tax, interest and penalty	580.65	2015-16	Commissioner of Income Tax (Appeals)	
The Income Tax Act, 1961	Tax, interest and penalty	77.71	2016-17	Commissioner of Income Tax (Appeals)	
The Income Tax Act, 1961	Tax, interest and penalty	340.71	2017-18	Commissioner of Income Tax (Appeals)	
The Income Tax Act, 1961	Tax, interest and penalty	445.78	2018-19	Commissioner of Income Tax (Appeals)	
The Income Tax Act, 1961	Tax, interest and penalty	337.56	2019-20	Commissioner of Income Tax (Appeals)	
The Income Tax Act, 1961	Tax, interest and penalty	172.90	2020-21	Commissioner of Income Tax (Appeals)	
The Income Tax Act, 1961	Tax, interest and penalty	1,601.70	2021-22	Assessing officer	
The Income Tax Act, 1961	Tax, interest and penalty	2,445.66	2022-23	Assessing Officer	

- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries (as defined under the Act). The Company does not hold any investment in any joint ventures or associate companies (as defined under the Act) during the year ended 31 March 2024.

Annexure A to the Independent Auditor's Report (Contd.)

- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries (as defined under the Act). The Company does not hold any investment in any joint venture or associate companies (as defined under the Act) during the year ended 31 March 2024.
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- (xi) (a) During the course of our examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company was noticed or reported during the year except a whistle blower complaint received during the year involving certain employees of the Company who adjusted debit balance of one customer against the credit balance of another customer and accounted tax deducted at source in customer accounts in excess of the actual amount. Based on an investigation by an agency appointed by the Company, the total amount of adjustment was Rs 928 lakhs. The investigation also concluded that there has been no misappropriation of funds or assets and merely book entries were posted. The Company terminated the services of an employee with immediate effect. Management has corrected the customer balances during the financial year.
- (b) A report under sub-section (12) of section 143 of the Companies Act has been filed by us in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government in respect of matter reported in (a) above.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi) (c) of the Order is not applicable.
- (d) The Company is not part of any group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016 as amended). Accordingly, the requirements of clause 3(xvi)(d) are not applicable.
- (xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and

Annexure A to the Independent Auditor's Report (Contd.)

expected dates of realisation of financial assets and payment of financial liabilities, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor

any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

Also refer to the Other Information paragraph of our main audit report which explains that the other information comprising the information included in the annual report is expected to be made available to us after the date of this auditor's report.

(xx) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

Rajesh Mehra

Partner

Membership No.: 103145

ICAI UDIN:24103145BKFWKY6212

Place: Mumbai

Date: 21 May 2024

Annexure B to the Independent Auditor's Report

on the standalone financial statements of Metropolis Healthcare Limited for the year ended 31 March 2024

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of Metropolis Healthcare Limited ("the Company") as of 31 March 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2024, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain

reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Annexure B to the Independent Auditor's Report (Contd.)

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud

may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Place: Mumbai
Date: 21 May 2024

Rajesh Mehra
Partner
Membership No.: 103145
ICAI UDIN:24103145BKFWKY6212

Standalone Balance Sheet

as at March 31, 2024

(Rs. in Lakhs)

	Note	As at March 31, 2024	As at March 31, 2023
ASSETS			
Non-current assets			
Property, plant and equipment	3	14,214.75	12,583.79
Right-of-use assets	43(3)	17,812.90	17,181.57
Goodwill	4	41,542.55	41,542.55
Other intangible assets	4	38,438.87	35,269.00
Intangible assets under development	4	-	1,951.18
Financial assets			
i) Investments			
a) Investments in subsidiaries	5	3,489.88	3,489.88
b) Other investments	5	175.28	175.28
ii) Loans	6	79.17	88.52
iii) Other financial assets	7	2,184.32	1,608.65
Non-current tax assets (net)	8	2,044.13	2,963.77
Other non-current assets	9	44.33	31.67
Total non-current assets		1,20,026.18	1,16,885.86
Current assets			
Inventories	10	3,389.11	4,127.24
Financial assets			
i) Investments	11	5,307.49	1,306.14
ii) Trade receivables	12	13,002.93	12,619.17
iii) Cash and cash equivalents	13(a)	2,858.64	2,408.68
iv) Bank balances other than (iii) above	13(b)	187.61	1,885.50
v) Loans	14	303.68	1,560.12
vi) Other financial assets	15	556.74	1,318.68
Other current assets	16	1,637.75	1,318.08
Total current assets		27,243.95	26,543.61
TOTAL ASSETS		1,47,270.13	1,43,429.47
EQUITY AND LIABILITIES			
Equity			
Equity share capital	17	1,024.54	1,024.21
Other equity	18	1,02,094.18	92,577.43
Total Equity		1,03,118.72	93,601.64
Liabilities			
Non-current liabilities			
Financial liabilities			
i) Borrowings	19	-	3,077.42
ii) Lease liabilities	43(4)	11,797.87	12,411.40
iii) Other financial liabilities	20	-	54.95
Provisions	21	1,551.63	1,281.13
Deferred tax liabilities (net)	36(d)	7,364.71	7,675.96
Total non-current liabilities		20,714.21	24,500.86
Current liabilities			
Financial liabilities			
i) Borrowings	22	-	5,151.81
ii) Lease liabilities	43(4)	7,697.48	6,154.04
iii) Trade payables			
total outstanding dues of micro enterprises and small enterprises	23	26.24	176.58
total outstanding dues of creditors other than micro enterprises and small enterprises	23	9,313.63	8,395.52
iv) Other financial liabilities	24	1,674.75	1,845.76
Other current liabilities	25	2,141.77	1,873.24
Provisions	26	1,040.24	949.34
Current tax liabilities (net)	27	1,543.09	780.68
Total current liabilities		23,437.20	25,326.97
TOTAL EQUITY AND LIABILITIES		1,47,270.13	1,43,429.47

Basis of preparation, measurement and material accounting policies

2

The accompanying notes 1 to 60 are an integral part of these standalone financial statements

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Rajesh Mehra
Partner
Membership No: 103145

Place : Mumbai
Date: May 21, 2024

For and on behalf of the Board of Directors
Metropolis Healthcare Limited
L73100MH2000PLC192798

Dr. Sushil Shah
Chairman & Executive Director
DIN: 00179918
Place : Mumbai

Surendran Chemmenkotil
Chief Executive Officer
Place : Mumbai

Subramanian Ranganathan
Independent Director
DIN:00125493
Place : Mumbai

Ameera Shah
Managing Director
DIN: 00208095
Place : Mumbai

Rakesh Agarwal
Chief Financial Officer

Kamlesh Kulkarni
Company Secretary
Place: Mumbai

Standalone Statement of Profit and Loss

for the year ended March 31, 2024

(Rs. in Lakhs)

	Note	March 31, 2024	March 31, 2023
I. Income			
Revenue from Operations	28	1,10,342.54	1,06,604.07
Other income	29	1,199.67	2,128.26
Total Income		1,11,542.21	1,08,732.33
II. Expenses			
Cost of materials consumed	30	22,047.85	23,554.58
Laboratory testing charges	31	993.14	574.87
Employee benefits expense	32	24,659.70	22,816.29
Finance costs	33	2,233.60	2,669.18
Depreciation and amortization expenses	34	9,073.28	8,495.60
Other expenses	35	36,793.73	32,727.29
Total Expenses		95,801.30	90,837.81
III. Profit before tax (I-II)		15,740.91	17,894.52
Tax expense:	36		
1. Income tax			
Current tax		4,413.79	4,500.05
Tax adjustments for earlier years		(6.09)	(258.48)
2. Deferred tax (credit)		(255.77)	(241.78)
IV. Total tax expenses (Net)		4,151.93	3,999.79
V. Profit for the year (III-IV)		11,588.98	13,894.73
VI. Other comprehensive income			
Items that will not be reclassified subsequently to profit and loss			
Remeasurements of the defined benefit plans	46(a)	(220.44)	(218.79)
Income tax on above.	36	55.48	55.07
Other comprehensive income for the year, net of income tax		(164.96)	(163.72)
VII. Total comprehensive income for the year (V+VI)		11,424.02	13,731.01
Earnings per equity share	37		
Basic earnings per share (face value of Rs. 2 each)		22.63	27.14
Diluted earnings per share (face value of Rs. 2 each)		22.55	27.05

Basis of preparation, measurement and material accounting policies 2

The accompanying notes 1 to 60 are an integral part of these standalone financial statements

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Rajesh Mehra
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Managing Director
DIN: 00208095
Place : Mumbai

Rakesh Agarwal
Chief Financial Officer

Kamlesh Kulkarni
Company Secretary
Place: Mumbai

Standalone Statement of Cash flows

for the year ended March 31, 2024

(Rs. in Lakhs)

	As at March 31, 2024	March 31, 2023
A Cash flow from operating activities		
Profit before tax	15,740.91	17,894.52
Adjustments for :		
Depreciation and amortization expenses	9,073.28	8,495.60
Interest on lease liabilities	1,833.36	1,638.42
Changes in fair value of current investments	(18.08)	(67.81)
Net gain on redemption of mutual fund investments	(97.53)	-
Write-off of property, plant and equipment	-	13.50
Provision for bad and doubtful debts (net)	1,109.59	(238.34)
Provision for doubtful advances (net)	219.77	-
Share based payment expenses (Refer Note 32)	141.64	28.51
Interest on deferred purchase consideration	5.61	9.92
Unrealised foreign exchange (gain)/loss (net)	(301.88)	(107.83)
Interest expenses on borrowings	394.63	1,020.84
Sundry balance written back	(249.37)	
Interest income	(209.52)	(327.17)
Interest income on income tax refund	-	(54.40)
Dividend income from related parties	(250.00)	(800.00)
Operating profit before working capital changes	27,392.41	27,505.76
Working capital adjustments:		
Decrease in inventories	738.13	573.51
Decrease in loans (current and non-current)	1,288.07	61.15
(Increase) in other assets (current and non-current)	(475.29)	(136.18)
(Increase)/Decrease in trade receivables	(1,164.43)	1,648.02
Decrease in other financial assets	438.85	35.67
Increase / (Decrease) in provisions	140.96	(8.51)
Increase/(Decrease) in trade payables	769.33	(851.55)
(Decrease) in other financial liabilities	(19.52)	(308.78)
Increase/(Decrease) in other current liabilities	517.90	(341.39)
Cash flows generated from operating activities	29,626.41	28,178.06
Income taxes paid (net)	(2,725.65)	(4,402.21)
Net cash flows generated from operating activities (A)	26,900.76	23,775.85
B Cash flow from investing activities:		
Purchase of property, plant and equipment and capital work-in-progress	(3,275.56)	(704.35)
Deferred purchase consideration paid	(65.00)	(45.00)
Purchase of other intangible assets	(2,742.13)	(4,150.57)
Purchase of current investments	(14,725.05)	(25,525.00)
Proceeds from sale of current investments	10,839.31	25,662.19
Interest received	100.77	253.67
Dividend received from related parties	250.00	800.00
Proceeds from maturity of deposits (having original maturity of more than three months)	1,879.80	-
Investment in deposits (having original maturity of more than three months)	(362.19)	8,381.37
Net cash flows (used in)/generated from investing activities (B)	(8,100.05)	4,672.31

Standalone Statement of Cash flows
for the year ended March 31, 2024 (Contd.)

(Rs. in Lakhs)

	As at March 31, 2024	March 31, 2023
C Cash flow from financing activities		
Proceed from borrowings	-	324.00
Repayment of borrowings	(8,229.23)	(17,886.68)
Principal payment of lease liabilities	(5,793.42)	(4,423.56)
Proceeds from exercise of options under MESOS 2015 and RSU 2020 scheme (Refer Note 48)	0.36	18.36
Payment of dividend	(2,049.60)	(4,096.85)
Interest paid on lease liabilities	(1,833.36)	(1,638.42)
Interest paid on borrowings	(394.63)	(1,083.46)
Net cash flows (used) in financing activities (C)	(18,299.88)	(28,786.61)
Net Increase/ (decrease) in cash and cash equivalents (A) + (B) + (C)	500.83	(340.44)
Cash and cash equivalents at the beginning of the year	2,408.68	2,749.12
Effect of exchange differences on balances with banks in foreign currency	(50.87)	-
Cash and cash equivalents at the end of the year (Refer note 13(a))	2,858.64	2,408.68

- The above Standalone Statement of Cash Flows has been prepared under the "Indirect Method" as set out in the Ind. AS - 7 "Statement of Cash Flows"
- The figures in the brackets indicate outflow of cash and cash equivalents.
- The movement of borrowing as per IND AS 7 is as follows :

Movement in borrowings (excluding interest accrued and not due)

Particulars	March 31, 2023	Cash flows	Non cash changes	March 31, 2024
Equity Share capital	1,024.21	0.33	-	1,024.54
Share application money pending allotment	0.01	0.04	-	0.05
Long term borrowings	3,077.42	(3,077.42)	-	-
Short term borrowings	5,151.81	(5,151.81)	-	-
Lease liabilities	12,411.40	(7,626.78)	7,013.25	11,797.87
Total borrowings	21,664.86	(15,855.64)	7,013.25	12,822.46

The accompanying notes 1 to 60 are an integral part of these standalone financial statements

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Rajesh Mehra
Partner
Membership No: 103145

Place : Mumbai
Date: May 21, 2024

For and on behalf of the Board of Directors
Metropolis Healthcare Limited
L73100MH2000PLC192798

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Place : Mumbai

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Independent Director
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Ameera Shah
Managing Director
DIN: 00208095
Place : Mumbai

Rakesh Agarwal
Chief Financial Officer

Kamlesh Kulkarni
Company Secretary
Place: Mumbai

Standalone Statement of Changes in Equity ('SOCIE')

for the year ended March 31, 2024

(a) Equity share capital (Refer note 17)

	Number of shares	Amount (in Lakhs)
Balance as at April 01, 2022	5,11,72,119	1,023.44
Changes in equity share capital due to prior period errors	-	-
Restated balance as at April 01, 2022	5,11,72,119	1,023.44
Issued under Metropolis Employee Stock Option Scheme 2015 and Metropolis - Restrictive Stock Unit Plan, 2020 (Refer Note 46(c))	38,545	0.77
Balance as at March 31, 2023	5,12,10,664	1,024.21
Changes in equity share capital due to prior period errors	-	-
Restated balance as at April 01, 2023	5,12,10,664	1,024.21
Issued under Metropolis Employee Stock Option Scheme 2015 and Metropolis - Restrictive Stock Unit Plan, 2020 (Refer Note 46(c))	16,197	0.33
Balance as at March 31, 2024	5,12,26,861	1,024.54

(b) Other Equity (Refer note 18)

Particulars	Reserves and Surplus					Share application money pending allotment	Total other equity
	Securities premium	General reserve	Capital redemption reserve	Employee stock options reserve	Retained earnings		
Restated balance as at April 01, 2023*	15,965.50	2,861.38	0.33	734.74	73,015.47	0.01	92,577.43
Profit for the year	-	-	-	-	11,588.98	-	11,588.98
Profit on re-measurement of defined benefit plans (net of tax)	-	-	-	-	(164.96)	-	(164.96)
Total comprehensive income	-	-	-	-	11,424.02	-	11,424.02
Interim dividend	-	-	-	-	(2,048.95)	-	(2,048.95)
Share options exercised under MESOS 2015 and RSU 2020 (Refer Note 48(c))	-	103.68	-	(103.68)	-	-	-
Share based payments (Refer Note 48(c))	-	-	-	141.64	-	-	141.64
On Employee stock option	-	-	-	-	-	0.05	0.05
Allotment/refund	-	-	-	-	-	(0.01)	(0.01)
Balance as at March 31, 2024	15,965.50	2,965.06	0.33	772.70	82,390.54	0.05	1,02,094.18

* There are no changes in other equity due to prior period errors

Refer Note 18 for nature and purpose of reserves

The accompanying notes 1 to 60 are an integral part of these standalone financial statements

As per our report of even date attached

For **B S R & Co. LLP**
 Chartered Accountants
 Firm's Registration No: 101248W/W-100022

Rajesh Mehra
 Partner
 Membership No: 103145

Place : Mumbai
 Date: May 21, 2024

For and on behalf of the Board of Directors
Metropolis Healthcare Limited
 L73100MH2000PLC192798

Dr. Sushil Shah
 Chairman & Executive Director
 DIN: 00179918
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 DIN:00125493
 Place : Mumbai

Ameera Shah
 Managing Director
 DIN: 00208095
 Place : Mumbai

Rakesh Agarwal
 Chief Financial Officer

Kamlesh Kulkarni
 Company Secretary
 Place: Mumbai

Notes to standalone financial statements

for the year ended March 31, 2024

1 Background of the Company and nature of operation

Metropolis Healthcare Limited (the 'Company'), was incorporated in India as Pathnet India Private Limited in the year 2000 and is engaged in the business of providing pathology and related healthcare services. The registered office of the Company is located at 4th Floor, East Wing, Nirlon House, Dr. Annie Besant Road, Worli, Mumbai - 400018. The Company got listed on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) on April 15, 2019 through sale of equity shares by Dr. Sushil Kanubhai Shah and CA Lotus Investments.

2 Basis of preparation, measurement and material accounting policies

2.1 Basis of preparation and measurement

a Statement of compliance:

The Standalone Balance Sheet of the Company as at March 31, 2024 and the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash flows for the year ended March 31, 2024 and summary of material accounting policies and other financial information (together referred as 'Standalone Financial Statements') has been prepared under Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time.

The Standalone financial statements of the Company for year ended March 31, 2024 were authorised for issue in accordance with a resolution of the Board of Directors on May 21, 2024.

The accounting policies are applied consistently to all the periods presented in the Standalone financial statements, unless stated otherwise.

b Current vs non-current classification:

All the assets and liabilities have been classified into current and non current.

Assets:

An asset is classified as current when it satisfies any of the following criteria:

- a) it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;

- b) it is held primarily for the purpose of being traded;
- c) it is expected to be realised within twelve months after the reporting date; or
- d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

Liabilities:

A liability is classified as current when it satisfies any of the following criteria:

- a) it is expected to be settled in the Company's normal operating cycle;
- b) it is held primarily for the purpose of being traded;
- c) it is due to be settled within twelve months after the reporting date; or
- d) the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Operating cycle:

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act 2013. Based on the nature of services and the time taken between acquisition of assets/inventories for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of the classification of assets and liabilities into current and non-current.

c Basis of measurement

These standalone financial statements have been prepared on accrual and going concern basis and under the historical cost convention except for the following assets and liabilities which have been measured at fair value or revalued amount:

- Certain financial assets and liabilities (including derivative instruments) measured at fair value
- Assets and liabilities assumed on business combination measured at fair value

Notes to standalone financial statements for the year ended March 31, 2024 (Contd.)

- Equity settled share-based payments measured at fair value
- Net defined benefit asset / liability - Fair value of plan assets less present value of defined benefit obligations.

d Key estimates and assumptions

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Judgments

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements is included in the following notes:

- Leasing arrangement (classification) - Note 2.2(o) and Note 43

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending March 31, 2024 is included in the following notes:

- Financial instruments - Note 2.2(e)
- Fair value measurement - Note 2.2(e) and Note 38 B
- Impairment test of goodwill and intangible assets: key assumptions underlying recoverable amounts - Note 2.2(d),
- Measurement of ECL allowance for trade receivables and other assets - Note 2.2(e)
- Assessment of useful life and residual value of property, plant and equipment and intangible assets - Note 2.2(b)
- Leasing arrangement (accounting) - Note 2.2(o) and Note 43
- Estimation of assets and obligations relating to employee benefits (including actuarial assumptions) Note 46.

e Measurement of fair values

Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting year during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes

- Financial instruments (Note 38)
- Business combination (Note 58)
- Share based payment arrangements (Note 46(c))

2.2 Material accounting policies

a) Business combinations

Business combinations arising from transfers of interests in entities that are under the control of

Notes to standalone financial statements for the year ended March 31, 2024 (Contd.)

the shareholders that control the Company are accounted for as if the acquisition had occurred at the beginning of the earliest comparative period presented or, if later, at the date that common control was established; for this purpose comparatives are revised.

Common Control:

Business combinations involving entities that are ultimately controlled by the same parties before and after the business combination are considered as Common control entities and are accounted using the pooling of interest method as follows:

- The assets and liabilities of the combining entities are reflected at their carrying amounts.
- No adjustments are made to reflect the fair values, or recognise new assets or liabilities. Adjustments are made to harmonise accounting policies.
- The financial information in the financial statements in respect of prior periods is restated as if the business combination has occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination.

The balance of the retained earnings appearing in the financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee or is adjusted against general reserve.

The identity of the reserves are preserved and the reserves of the transferor become the reserves of the transferee.

The difference if any, between the amounts recorded as share capital plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and is presented separately from other capital reserves.

b) Property plant and equipment (PPE)

Recognition and measurement:

The cost of an item of property, plant and equipment shall be recognized as an asset if, and only if its probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Items of property, plant and equipment, other than freehold land are measured at cost less accumulated depreciation and any accumulated impairment losses.

Freehold land is carried at cost and is not depreciated. The cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, (after deducting trade discounts and rebates), any directly attributable costs of bringing the asset to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. Any gain or loss on derecognition of an item of property, plant and equipment is included in statement of profit and loss when the item is derecognized.

The cost of property, plant and equipment at April 01, 2018, the Company's date of transition to Ind AS, was determined with reference to its carrying value recognized as per the previous GAAP (deemed cost), as at the date of transition to Ind AS.

Subsequent costs are included in the assets carrying amount or recognized as a separate asset, as appropriate, only if it is probable that the future economic benefits associated with the item will flow to the Company and that the cost of the item can be reliably measured. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repair and maintenance are charged to statement of profit and loss during the reporting year in which they are incurred.

Depreciation:

Depreciation on PPE is computed using the straight-line method over the estimated useful lives. The management basis its past experience and technical assessment has estimated the useful lives, which is at variance with the life prescribed in Part C of Schedule II to the Act and has accordingly, depreciated the assets over such useful lives. The Company has established

**Notes to standalone financial statements
for the year ended March 31, 2024 (Contd.)**

the estimated range of useful lives for different categories of PPE as follows:

Particulars	Management's estimate of useful life	Useful life as per Schedule II
Laboratory Equipment's (Plant & Equipment) :		
(Electrical Machinery, X-ray & diagnostic equipment's namely Cat-stan, Ultrasound , ECG monitors.)	13 years	13 years
Building	60 years	60 years
Office equipment	5 years	5 years
Computers	6 years	3 years
Furniture and Fixtures	15 years	10 years
Vehicles	10 years	8 years

Leasehold improvements are depreciated over the tenure of lease term.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

c) Intangible assets

Goodwill

Goodwill is initially recognized as the excess of consideration paid over acquirer's interest in the net fair value of the identifiable net assets of acquired business. Goodwill that arises on a business combination is subsequently measured at cost less any accumulated impairment losses on testing of impairment. The Company estimates the value-in-use of the cash generating units (CGUs) based on the future cash flows after considering current economic conditions and trends, estimated future operating results and growth rate and anticipated future economic and regulatory conditions. The estimated cash flows are developed using internal forecasts. The discount rates used for the CGUs represent the weighted average cost of capital based on the historical market returns of comparable companies.

Other Intangible assets:

An intangible asset is recognized only if it is probable that future economic benefits attributable to the asset will flow to the Company and the cost of the asset can be measured reliably.

Following initial recognition, intangible assets are carried at cost less accumulated amortization and any accumulated impairment losses.

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates and the cost of the asset can be measured reliably. All other expenditure, including expenditure on internally generated goodwill and brands, is recognized in profit or loss as incurred.

The cost of intangible assets at April 01, 2018, the Company's date of transition to Ind AS, was determined with reference to its carrying value recognized as per the previous GAAP (deemed cost), as at the date of transition to Ind AS.

Intangible assets under development that are not ready for their intended use at the end of reporting period and are carried at cost comprising direct costs, related incidental expenses, other directly attributable costs and borrowing costs, less impairment losses if any. Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition.

Amortization:

Amortization is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives, and is recognized in statement of profit and loss.

The estimated useful lives for current and comparative periods are as follows:

Computer software - 5 years

Brand - 10 years

Customer relationship - 5 years

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted, if appropriate.

d) Impairment of non-financial assets

The Company's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment

Notes to standalone financial statements for the year ended March 31, 2024 (Contd.)

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash flows of other assets or CGUs. Goodwill arising from a business combination is allocated to CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of an individual asset (or where applicable, that of cash generating unit (CGU) to which the asset belongs) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset (or CGU).

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognized in the statement of profit and loss.

e) Investments in subsidiaries, associates and joint ventures:

The Company accounts for its equity investments in subsidiaries, associates and joint ventures at cost less accumulated impairment, if any.

e) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as call options to buy out stake in subsidiary.

1 Financial assets

Initial recognition and measurement

Financial assets are initially recognized when the Company becomes a party to the contractual provisions of the instrument. All financial assets other than those measured subsequently at fair value through profit and loss, are recognized initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset.

Trade receivables are initially recognized at transaction price (as defined in Ind AS 115) as they do not contain a significant financing component. This implies that the effective interest rate for these receivables is zero.

Subsequently, the Company applies lifetime expected credit loss model for measurement of trade receivables.

Classification and subsequent measurement

For the purpose of subsequent measurement, financial assets are classified in three categories:

- Amortized cost,
- Fair value through profit (FVTPL)
- Fair value through other comprehensive income (FVTOCI)

on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

Amortized cost :

A financial instrument is measured at the amortized cost if both the following conditions are met:

The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method.

Fair value through profit and loss ('FVTPL):

All financial assets that do not meet the criteria for amortised cost or fair value through other comprehensive income are measured at fair value through profit or loss with all changes recognized in the standalone statement of profit and loss. Interest income (basis EIR method), from financial assets at fair value through profit or loss is recognized in the statement of profit and loss within finance income/ finance costs separately from the other gains/ losses arising from changes in the fair value.

Derivative financial instruments (call option over shares of subsidiaries) are classified as financial instruments at fair value through profit or loss. Such derivative financial instruments are initially recognized at fair value.

Notes to standalone financial statements for the year ended March 31, 2024 (Contd.)

They are subsequently re-measured at their fair value, with changes in fair value being recognized in the statement of profit and loss.

Fair value through Other Comprehensive Income ('FVOCI')

Financial assets are measured at FVOCI if both the following conditions are met: The asset is held within a business model whose objective is achieved by both

- collecting contractual cash flows and selling financial assets and
- contractual terms of the asset give rise on specified dates to cash flows that are SPPI on the principal amount outstanding.

After initial measurement, these assets are subsequently measured at fair value. Dividends, Interest income under effective interest method, foreign exchange gains and losses and impairment losses are recognized in the Statement of Profit and Loss. Other net gains and losses are recognized in other comprehensive Income.

Derecognition:

A financial asset (or, where applicable, a part of a financial asset or a part of a group of similar financial assets) is primarily derecognized (i.e. removed from the Company's balance sheet) when:

The contractual rights to receive cash flows from the financial asset have expired, or

The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either

- (a) the Company has transferred substantially all the risks and rewards of the asset, or
- (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

On de-recognition, any gains or losses on all equity instruments (measured at FVTPL) and debt instruments (other than debt instruments measured at FVOCI) are

recognized in the Statement of Profit and Loss. Gains and losses in respect of debt instruments measured at FVOCI and that are accumulated in OCI are reclassified to profit or loss on de-recognition.

Impairment of financial assets

In accordance with Ind-AS 109, the Company applies Expected Credit Loss ("ECL") model for measurement and recognition of impairment loss on the financial assets measured at amortized cost and debt instruments measured at FVOCI.

Loss allowances on trade receivables are measured following the 'simplified approach' at an amount equal to the lifetime ECL at each reporting date. In respect of other financial assets, the loss allowance is measured at 12 month ECL only if there is no significant deterioration in the credit risk since initial recognition of the asset or asset is determined to have a low credit risk at the reporting date.

2 Financial liabilities

Initial recognition and measurement

Financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument.

Financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss, transaction costs that are directly attributable to its acquisition or issue.

Classification and subsequent measurement

Subsequent measurement is determined with reference to the classification of the respective financial liabilities.

Financial Liabilities at Fair Value through Profit or Loss (FVTPL):

A financial liability is classified as Fair Value through Profit or Loss (FVTPL) if it is classified as held-for trading or is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and changes therein, including any interest expense, are recognized in the Statement of Profit and Loss.

Financial Liabilities at amortized cost:

After initial recognition, financial liabilities other than those which are classified as

Notes to standalone financial statements for the year ended March 31, 2024 (Contd.)

FVTPL are subsequently measured at amortized cost using the effective interest rate ("EIR") method.

Amortized cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. The amortization done using the EIR method is included as finance costs in the Statement of Profit and Loss

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

Derivative financial instruments

Derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value through profit or loss account. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

f) Investments in subsidiaries, associates and joint ventures:

Investments representing equity interest in subsidiaries, associates and joint ventures carried at cost less any provision for impairment. Investments are reviewed for impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable.

g) Borrowings

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings

are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss as other gains/(losses).

Borrowings are classified under current financial liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

h) Borrowing costs

Borrowing costs are interest and other costs that an entity incurs in connection with the borrowing of funds. General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Other borrowing costs are expensed in the period in which they are incurred.

Notes to standalone financial statements for the year ended March 31, 2024 (Contd.)

i) Inventories

Inventories comprise of reagents, chemicals, diagnostic kits, medicines and consumables. Inventories are measured at lower of cost (on weighted average basis) and net realisable value after providing for obsolescence and other losses, where considered necessary. Cost comprises the cost of purchase and all other costs attributed to bring the goods to that particular condition and location. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

The Company uses weighted average method to determine cost for all categories of inventories except for goods in transit which is valued specifically identified purchase cost. Cost includes all cost of purchase, and other costs incurred in bringing the inventories to their present location and condition inclusive of non refundable (adjustable) taxes wherever applicable.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sale. The comparison of cost and net realisable value is made on an item-by-item basis.

j) Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet and cash flow statement includes cash at bank and on hand, deposits held at call with banks, with original maturities less than three months which are readily convertible into cash and which are subject to insignificant risk of changes in value.

k) Provisions, Contingent Liabilities and Contingent Assets

A provision is recognized when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence is confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

Contingent Assets are not recognized till the realization of the income is virtually certain.

However the same are disclosed in the financial statements where an inflow of economic benefit is probable. Contingent liability and contingent asset are reviewed at each balance sheet date.

l) Revenue Recognition

Revenue comprises of revenue from providing healthcare services such as health checkup and laboratory services. Pathology service is the only principal activity and reportable segment from which the Company generates its revenue.

Revenue is recognized at an amount that reflects the consideration to which the Company expects to be entitled in exchange for transferring the goods or services to a customer i.e. on transfer of control of the service to the customer. Revenue from rendering of services is net of indirect taxes, reversals and discounts;

Revenue is recognized once the testing samples are processed for requisitioned test, to the extent that it is probable that the economic benefits will flow to the Company and revenue can be reliably measured.

Revenue is measured based on the consideration specified in a contract with a customer. Revenue is recognized at a point in time when the Company satisfies performance obligations by transferring the promised services to its customers.

Generally, each test represents a separate performance obligation for which revenue is recognized when the test report is generated i.e. when the performance obligation is satisfied. For allocating the transaction price, the Company has measured the revenue in respect of each performance obligation of a contract at its relative standalone selling price.

The price that is regularly charged for a test when registered separately is the best evidence of its standalone selling price

Contract liabilities - A contract liability is the obligation to transfer services to a customer for which the Company has received consideration from the customer. If a customer pays consideration before the Company transfers

Notes to standalone financial statements for the year ended March 31, 2024 (Contd.)

services to the customer, a contract liability is recognized when the payment is made. Contract liabilities are recognized as revenue when the Company performs under the contract.

m) Recognition of Interest income and Dividend income

Interest income

For all financial instruments measured at amortized cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate which exactly discounts the estimated future cash receipts over the expected life of the financial instrument to the gross carrying amount of the financial asset. When calculating the EIR the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayments, extensions, call and similar options); expected credit losses are considered if the credit risk on that financial instrument has increased significantly since initial recognition

Dividend income

Dividends are recognized in statement of profit and loss on the date on which the Company's right to receive payment is established.

n) Employee Benefits

(i) Short-term Employee benefits

Liabilities for wages and salaries, compensated absences, bonus and ex gratia including non-monetary benefits that are expected to be settled wholly within twelve months after the end of the year in which the employees render the related service are classified as short term employee benefits and are recognized as an expense in the Statement of Profit and Loss as the related service is provided.

A liability is recognized for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(ii) Share-based payments

The cost of equity settled transactions is determined by the fair value at the grant date which is based on the Black Scholes model. The grant date fair value of options granted to employees is recognized as an

employee expense, with a corresponding increase in equity under "Employee Stock Options Reserve", over the period that the employees become unconditionally entitled to the options.

The expense so determined is recognized over the requisite vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. As at each reporting date, the Company revises its estimates of the number of options that are expected to vest, if required.

When the terms of an equity-settled award are modified, in addition to the expense pertaining to the original award, an incremental expense is recognized for any modification that results in additional fair value, or is otherwise beneficial to the employee as measured at the date of modification.

(iii) Post-Employment Benefits

Defined Contribution Plans:

A defined contribution plan is a post-employment benefit plan under which a Company pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Company makes contribution to provident fund in accordance with Employees Provident Fund and Miscellaneous Provisions Act, 1952 and Employee State Insurance. Contribution paid or payable in respect of defined contribution plan is recognized as an expense in the year in which services are rendered by the employee.

Defined Benefit Plans:

The Company's gratuity benefit scheme is a defined benefit plan. The liability is recognized in the balance sheet in respect of gratuity is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets (being funded portion), together with adjustments for unrecognized actuarial gain losses and past service costs. The defined benefit obligation is calculated at balance sheet date by an independent actuary using the projected unit credit method.

Re-measurement of the net defined benefit liability, which comprise actuarial gains and

Notes to standalone financial statements for the year ended March 31, 2024 (Contd.)

losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized immediately in other comprehensive income (OCI).

o) Leases

Ind-As 116:

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee

Leases are recognized as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Company.

Contracts may contain both lease and non-lease components. The Company allocates the consideration in the contract to the lease and non-lease components based on their relative standalone prices. However, for leases of real estate for which the Company is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- Fixed payments (including in-substance fixed payments), less incentives receivables
- Variable lease payments that are based on an index or a rate, initially measured using the index or rate at the commencement date
- amount expected to be payable by the Company under residual value guarantees
- the exercise price of a purchase option if the Company is reasonably certain to exercise that option, and
- Payments of penalties for terminating the lease, if the lease term reflects the Company exercising that option.

The lease liability is measured at amortised cost using effective interest method. It is remeasured when there is change in assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right of use asset, or is recorded in profit or loss if the carrying amount of the right of use asset has been reduced to zero.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Company:

- where possible, uses recent third-party financing received as a starting point, adjusted to reflect changes in financing conditions since third party financing was received
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held, which does not have recent third party financing, and makes adjustments specific to the lease, e.g. term, country, currency and security.

Variable lease payments that depend on sales are recognized in profit or loss in the period in which the condition that triggers those payments occurs.

The right of use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any incentives received.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of equipment and all leases of low-value assets are recognized on a straight-line basis as an expense

Notes to standalone financial statements for the year ended March 31, 2024 (Contd.)

in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

The lease liability is presented as a separate line in the statement of financial position. The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Company remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

The right-of-use assets are presented as a separate line in the statement of financial position.

p) Income-tax

Income tax expense /income comprises current tax expense/ income and deferred tax expense/ income. It is recognized in statement of profit and loss except to the extent that it relates to items recognized directly in equity or in Other Comprehensive Income, in which case, the tax is also recognized directly in equity or other comprehensive income, respectively.

Current Tax

Current tax comprises the expected tax payable or recoverable on the taxable profit or loss for the year and any adjustment to the tax payable or recoverable in respect of previous years. It is

measured at the amount expected to be paid to (or recovered from) the taxation authorities, using the applicable tax rates and tax laws.

- Current tax assets and liabilities are offset only if, the Company has a legally enforceable right to set off the recognized amounts; and
- intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred Tax

Deferred tax is recognized in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purpose and the amount considered for tax purpose.

Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilized.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of that deferred tax asset to be utilized, such reductions are reversed when it becomes probable that sufficient taxable profits will be available.

Unrecognized deferred tax assets are reassessed at each reporting date and recognized to the extent that it has become probable that future taxable profits will be available against which they can be recovered.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax assets and liabilities reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if:

- i) the entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
- ii) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

Notes to standalone financial statements for the year ended March 31, 2024 (Contd.)

Uncertain tax provision

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate. The provision is estimated based on one of two methods, the expected value method (the sum of the probability weighted amounts in a range of possible outcomes) or the single most likely amount method, depending on which is expected to better predict the resolution of the uncertainty.

q) **Foreign currency transactions**

Functional and Presentation currency

The Company's financial statements are prepared in Indian National Rupees (Rs.) which is also the Company's functional currency.

Transactions and balances

Foreign currency transactions are recorded on initial recognition in the functional currency using the exchange rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary items that are measured based on historical cost in a foreign currency are translated using the exchange rate at the date of the initial transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rate at the date the fair value is determined.

Exchange differences arising on the settlement or translation of monetary items are recognized in statement of profit or loss in the year in which they arise.

r) **Dividend**

The Company recognises a liability for any dividend declared when the distribution is authorized by the shareholders in AGM and the distribution is no longer at the discretion of the Company.

The Company recognises a liability for any dividend declared but not distributed at the end of the reporting period, when the distribution is authorized by the shareholders in AGM and the distribution is no longer at the discretion of the Company on or before the end of the reporting period.

s) **Earnings per share:**

Basic Earnings per share is calculated by dividing the profit or loss for the year attributable to the

equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the profit or loss for the period attributable to the equity shareholders and the weighted average number of equity shares outstanding during the period is adjusted to take into account:

- The after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- Weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

t) **Segment Reporting**

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the chief operating decision maker, in deciding how to allocate resources and assessing performance. The Company's chief operating decision maker is the Managing Director and CEO of the Company.

Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Inter segment revenue is accounted on the basis of transactions which are primarily determined based on market / fair value factors. Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on a reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities". Based on the nature of the business and line of products/ services, there is only one reportable segment - Pathology service.

u) **Recent Indian Accounting Standards (Ind AS)**

No standards have been issued impacting financial statements of the Company which are effective from April 01, 2024.

v) **Rounding off amounts**

All amounts disclosed in financial statements and notes have been rounded off to the nearest Lakhs as per the requirement of Schedule III. The transactions and balances with values below the rounding off norms adopted by the Company have been reflected as "0.00" in the relevant note to these financial statements.

Notes to standalone financial statements
for the year ended March 31, 2024 (Contd.)

3 Property, plant and equipment

Changes in the carrying value of property, plant and equipment for the year ended March 31, 2024:

(Rs. in Lakhs)

Particulars	Freehold land	Buildings	Laboratory equipment	Furniture & fixtures	Vehicles	Office equipment	Computers	Leasehold improvement	Total
Gross Block (at deemed cost) as at April 01, 2023	1,035.40	6,022.92	9,184.20	2,353.35	326.21	2,406.88	2,091.41	1,188.76	24,609.13
Additions during the year	-	-	1,387.60	45.78	8.96	394.95	386.57	864.95	3,088.81
Disposals during the year	-	-	-	-	-	-	-	-	-
Gross Block as at March 31, 2024 (A)	1,035.40	6,022.92	10,571.80	2,399.13	335.17	2,801.83	2,477.98	2,053.71	27,697.94
Accumulated depreciation as at April 01, 2023	-	1,602.03	5,162.67	1,333.21	244.81	1,672.44	1,198.42	811.76	12,025.34
Depreciation charged during the year	-	194.40	492.74	95.14	14.30	351.61	191.71	117.95	1,457.85
On disposals during the year	-	-	-	-	-	-	-	-	-
Accumulated depreciation as at March 31, 2024 (B)	-	1,796.43	5,655.41	1,428.35	259.11	2,024.05	1,390.13	929.71	13,483.19
Net carrying amount as at March 31, 2024 (A) - (B)	1,035.40	4,226.49	4,916.39	970.78	76.06	777.78	1,087.85	1,124.00	14,214.75

Changes in the carrying value of property, plant and equipment for the year ended March 31, 2023:

(Rs. in Lakhs)

Particulars	Freehold land	Buildings	Laboratory equipment	Furniture & fixtures	Vehicles	Office equipment	Computers	Leasehold improvement	Total
Gross Block (at deemed cost) as at April 01, 2022	1,035.40	5,724.32	8,616.17	2,239.53	322.21	2,084.35	1,553.95	964.11	22,540.05
Additions during the year	-	299.40	584.90	117.28	4.01	331.53	538.88	225.38	2,101.38
Disposals during the year	-	(0.81)	(16.87)	(3.46)	-	(8.99)	(1.43)	(0.74)	(32.30)
Gross Block as at March 31, 2023 (A)	1,035.40	6,022.92	9,184.20	2,353.35	326.21	2,406.88	2,091.41	1,188.76	24,609.13
Accumulated depreciation as at April 01, 2022	-	1,365.77	4,194.01	1,126.68	218.35	1,311.52	803.65	694.14	9,714.11
Depreciation charged during the year	-	236.26	980.06	206.53	26.46	368.32	394.77	117.62	2,330.03
On disposals during the year	-	-	(11.40)	-	-	(7.40)	-	-	(18.80)
Accumulated depreciation as at March 31, 2023 (B)	-	1,602.03	5,162.67	1,333.21	244.81	1,672.44	1,198.42	811.76	12,025.34
Net carrying amount as at March 31, 2023 (A) - (B)	1,035.40	4,420.89	4,021.53	1,020.14	81.40	734.44	892.99	377.00	12,583.79

a The Company has not revalued any of its property, plant and equipment.

b Details of benami property held:

No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

c Certain assets are under lien against borrowings. (refer footnotes to notes 19 and 22 for details)

d Title deeds of immovable properties not held in name of the Company

The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favor of the lessee), are held in the name of the Company except for the below:

Notes to standalone financial statements
 for the year ended March 31, 2024 (Contd.)

Details as on March 31, 2024

(Rs. in Lakhs)

Description of item of property	Gross carrying value (Rs. in Lakhs)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter / director or employee of promoter / director	Property held since which date	Reason for not being held in the name of the Company
Land	1,035.40	Lister Metropolis Laboratory and Research Centre Private Limited.	NA	January 30, 2009	Merger adjudication pending.
Buildings	609.94	1. Dr. Sushil Kanubhai Shah 2. Dr. Duru Sushil Shah	Promoter/ Director Relative of Director	August 16, 2000	Title clearance report is pending.
Buildings	482.80	Lister Metropolis Laboratory and Research Centre Private Limited.	NA	January 30, 2009	Merger adjudication pending.
Buildings	35.53	Dr. Golwilkar Laboratories Pvt. Ltd	NA	30 September 2018	Merger adjudication pending.
Buildings	1,266.01	Sanket Diagnostics Pvt Ltd	NA	March 16, 2018	Adjudication is on hold.
Buildings	189.87	Desai Metropolis Health Services Private Limited	NA	June 03, 2002	Merger adjudication pending.

Details as on March 31, 2023

(Rs. in Lakhs)

Description of item of property	Gross carrying value (Rs. in Lakhs)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter / director or employee of promoter / director	Property held since which date	Reason for not being held in the name of the Company
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Buildings	609.94	1. Dr. Sushil Kanubhai Shah 2. Dr. Duru Sushil Shah	Promoter/ Director Relative of Director	August 16, 2000	Title clearance report is pending.
Buildings	482.80	Lister Metropolis Laboratory and Research Centre Private Limited.	NA	January 30, 2009	Merger adjudication pending.
Buildings	35.53	Dr. Golwilkar Laboratories Pvt. Ltd	NA	30 September 2018	Merger adjudication pending.
Buildings	1,266.01	Sanket Diagnostics Pvt Ltd	NA	March 16, 2018	Adjudication is on hold.
Buildings	189.87	Desai Metropolis Health Services Private Limited	NA	June 03, 2022	Merger adjudication pending.

- e On review of the pattern of consumption of the future economic benefits embodied in the assets, it was noted that there has been change in expected pattern of consumption of these benefits. Accordingly, with effect from April 01, 2023, the Company has changed its depreciation/amortization method to Straight Line method from Written down value method for various class of assets to reflect this change. Such a change has been accounted for as a change in an accounting estimate in accordance with Ind AS 8 "Accounting Policies, Change in Accounting Estimates and Errors". Had the Company continued the previous Written Down Value Method for charging depreciation on all class of assets, charge for depreciation/amortization for the Year ended March 31, 2024 would have been higher by Rs. 2,138 Lakhs respectively and consequentially deferred tax charge on the same for the Year ended March 31, 2024 would have been lower by Rs. 538 Lakhs respectively.

Notes to standalone financial statements
for the year ended March 31, 2024 (Contd.)

4 Goodwill and other intangible assets

Changes in the carrying value of intangibles for the year ended March 31, 2024:

(Rs. in Lakhs)

Particulars	Other Intangible Assets						
	Goodwill	Total	Computer Software	Brand	Customer Relationships	Non compete fee	Total
Gross Block (at cost) as at April 01, 2023	41,542.55	41,542.55	5,292.02	30,842.51	521.04	2,936.00	39,591.57
Additions during the year	-	-	4,693.30	-	-	-	4,693.30
Gross Block (at cost) as at March 31, 2024 (A)	41,542.55	41,542.55	9,985.32	30,842.51	521.04	2,936.00	44,284.87
Accumulated amortization as at April 01, 2023	-	-	2,515.22	821.43	458.03	527.88	4,322.56
Amortisation recognized during the year	-	-	967.31	147.18	41.95	367.00	1,523.44
Accumulated amortization as at March 31, 2024 (B)	-	-	3,482.53	968.61	499.98	894.88	5,846.00
Net carrying amount as at March 31, 2024 (A) - (B)	41,542.55	41,542.55	6,502.79	29,873.90	21.06	2,041.12	38,438.87

Changes in the carrying value of intangibles for the year ended March 31, 2023:

(Rs. in Lakhs)

Particulars	Other Intangible Assets						
	Goodwill	Total	Computer Software	Brand	Customer Relationships	Non compete fees	Total
Gross Block (at cost) as at April 01, 2022	41,542.55	41,542.55	3,911.71	30,842.51	521.04	2,936.00	38,211.26
Additions during the year	-	-	1,380.42	-	-	-	1,380.42
Disposals during the year	-	-	(0.12)	-	-	-	(0.12)
Gross Block (at cost) as at March 31, 2023 (A)	41,542.55	41,542.55	5,292.02	30,842.51	521.04	2,936.00	39,591.57
Accumulated amortization as at April 01, 2022	-	-	1,673.16	675.88	416.02	160.88	2,925.94
Amortisation recognized during the year	-	-	842.06	145.55	42.01	367.00	1,396.62
Accumulated amortization as at March 31, 2023 (B)	-	-	2,515.22	821.43	458.03	527.88	4,322.57
Net carrying amount as at March 31, 2023(A) - (B)	41,542.55	41,542.55	2,776.80	30,021.08	63.01	2,408.12	35,269.00

Intangible assets under development

(Rs. in Lakhs)

Particulars	Amount
Opening as at April 01, 2022	577.65
Addition	1,373.53
Capitalized during the year	-

Notes to standalone financial statements
 for the year ended March 31, 2024 (Contd.)

(Rs. in Lakhs)

Particulars	Amount
Closing amount as at March 31, 2023	1,951.18
Addition	2,587.52
Capitalized during the year	(4,538.70)
Closing amount as at March 31, 2024	-

Intangible Asset under Development (IAUD)
Ageing Schedule as at March 31, 2024

(Rs. in Lakhs)

Particulars	Amount in IAUD for a period of				
	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
	-	-	-	-	-

Details of intangible asset under development whose completion is overdue as compared to its original plan as at March 31, 2024

(Rs. in Lakhs)

Particulars	Amount in IAUD for a period of				
	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
CRM implementation Project	-	-	-	-	-
	-	-	-	-	-

Ageing Schedule as at March 31, 2023

(Rs. in Lakhs)

Particulars	Amount in IAUD for a period of				
	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	1,373.53	577.65	-	-	1,951.18
Projects temporarily suspended	-	-	-	-	-
	1,373.53	577.65	-	-	1,951.18

Details of intangible asset under development whose completion is overdue as compared to its original plan as at March 31, 2023

(Rs. in Lakhs)

Particulars	Amount in IAUD for a period of				
	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
CRM implementation Project	1,263.53	577.65	-	-	1,841.18
	1,263.53	577.65	-	-	1,841.18

Note - There are no such Intangible Assets under Development, whose project costs which have exceeded their original plan cost as at March 31, 2024 and as at March 31, 2023.

Notes to standalone financial statements for the year ended March 31, 2024 (Contd.)

Goodwill Impairment

Carrying amount of goodwill which is allocated to the pathology division as at March 31, 2024 is Rs. 41,542.55 Lakhs (March 31, 2023 is Rs. 41,542.55 Lakhs). This goodwill is on account of business acquisition and merger of subsidiaries.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the cash generating units (CGU), which benefit from the synergies of the acquisition.

(Rs. in Lakhs)

Cash Generating Unit	31 March 2024	31 March 2023
Sanjeevani Pathology Laboratory	4,593.90	4,593.90
Golwilkar Metropolis Health Services (India) Private Limited	287.00	287.00
Sudharma Metropolis Health Services Private Limited (refer note 45)	32.91	32.91
Desai Metropolis Health Services Private Limited (refer note 45)	1,173.90	1,173.90
Micron Metropolis Healthcare Private Limited (refer note 45)	58.59	58.59
Bokil Golwilkar Metropolis Healthcare Private Limited (refer note 45)	147.55	147.55
Dr. Ganesan's Hitech Diagnostic Centre Private Limited (refer note 59)	35,248.70	35,248.70
	41,542.55	41,542.55

The recoverable amount of a CGU is based on its value in use. The value in use is estimated using discounted cash flows over a period of 5 years. We believe 5 years to be most appropriate time scale over which to review and consider annual performance before applying a fix terminal value multiple to year end cash flow.

Operating margins and growth rates for the five year cash flow projections have been estimated based on past experience and after considering the financial budgets/ forecasts approved by management. Other key assumptions used in the estimation of the recoverable amount are set out below. The values assigned to the key assumptions represent management's assessment of future trends in the relevant industries and have been based on historical data from both external and internal sources.

Key assumptions used in the value-in-use calculations

Assumptions	How determined
Budgeted EBITDA growth rate *	Budgeted EBITDA has been based on past experience adjusted for the following: - Revenue in the diagnostic service is expected to grow on account of changing lifestyle and food habit. Revenue and EBIDTA are factored by focused approach towards B2C division, network expansion , operational efficiencies and automation.
Terminal value growth rate	Long-term growth rate used for the purpose of calculation of terminal value has been determined by taking into account nature of business , long term inflation expectation and long term GDP expectation for the Indian economy
Post tax risk adjusted discount rate	The discount rate applied to the cash flows of company's operations is generally based on the risk free rate for five year bonds issued by the government in India. These rates are adjusted for a risk premium to reflect both the increased risk of investing in equities and the systematic risk of of the Company.

* EBITDA stands for Earnings Before Interest, Taxes, Depreciation, and Amortization

(Rs. in Lakhs)

Particulars	31 March 2024	31 March 2023
Post tax risk adjusted discount rate	12.10%	12.40%
Terminal value growth rate	5.00%	5.00%
Budgeted EBITDA growth rate	1% - 43%	1% - 45%

These assumptions are reviewed annually as part of management's budgeting and strategic planning cycles. These estimates may differ from actual results. The values assigned to each of the key assumptions reflect the Management's past experience as their assessment of future trends, and are consistent with external / internal sources of information.

As at March 31, 2024 and as at March 31, 2023 the estimated recoverable amount of the CGU exceeded its carrying amount and accordingly, no impairment was recognized.

The Company has also performed sensitivity analysis calculations on the projections used and discount rate applied. Given the headroom that exists, and the results of the sensitivity analysis performed, it is concluded that there is no significant risk that reasonable changes in any key assumptions would cause the carrying value of goodwill to exceed its value in use.

Notes to standalone financial statements
 for the year ended March 31, 2024 (Contd.)

5 Non-current investments

(Rs. in Lakhs)

	As at March 31, 2024	As at March 31, 2023
Investment in subsidiaries		
Unquoted equity shares at cost		
Ekopath Metropolis Lab Services Private Limited 306,000 (March 31, 2023: 306,000) Equity shares of Face value of Indian Rupees 10 each (Fully Paid up)	30.60	30.60
Metropolis Healthcare Mauritius Limited 225,100 (March 31, 2023: 225,100) Equity shares of Face value of USD 1 each (Fully Paid up)	127.49	127.49
Amins Pathology Laboratory Private Limited 100,000 (March 31, 2023: 100,000) Equity shares of Face value of Indian Rupees 10 each (Fully Paid up)	10.00	10.00
Metropolis Healthcare Lanka Pvt. Ltd, Sri Lanka 250,000 (March 31, 2023: 250,000) Equity shares of Face value of Sri Lankan Rupee 10 each (Fully paid up)	11.04	11.04
Metropolis Histoxpert Digital Services Private Limited 3,000,000 (March 31, 2023: 3,000,000) Equity shares of Face value of Indian Rupees 10 each (Fully paid up)	0.94	0.94
Central Lab Health Care Services Pvt Ltd 4,350,000 (March 31, 2023: 4,350,000) Equity shares of Face value of Indian Rupees 10 each (Fully paid up)	3,309.81	3,309.81
Investment in subsidiaries	3,489.88	3,489.88
Less : Provision for impairment	-	-
Total Investment in subsidiaries	3,489.88	3,489.88
Investment in Others		
Unquoted equity shares at Fair Value through other comprehensive income		
Textiles Traders Co-op Bank Ltd 1,100 (March 31, 2023: 1,100) equity shares of Face value Indian Rupees 25 each (fully paid up)	0.28	0.28
Centre for Digestive and Kidney Disease (India) Private Limited 1,750,000 (March 31, 2023: 1,750,000) Equity shares of Face value of Indian Rupees 10 each (Fully Paid up)	175.00	175.00
Unquoted equity shares at cost		
Star Metropolis Health Services Middle East LLC, Dubai 1,020 (March 31, 2023: 1,020) Equity shares of Face value of AED of 1,000 each (Fully Paid up) (Refer Note 50)	129.85	129.85
Total Other Investment	305.13	305.13
Less : Provision for impairment - Star Metropolis Health Services Middle East LLC, Dubai	(129.85)	(129.85)
Total Investment in Others (C)	175.28	175.28
Total value of investments	3,665.16	3,665.16
The aggregate amount and market value of quoted and unquoted non-current investments are as follows:		
Aggregate amount of quoted investments	-	-
Aggregate market value of quoted investments	-	-
Aggregate amount of unquoted investments	3,795.01	3,795.01
Aggregate amount of impairment in value of investments	(129.85)	(129.85)

Notes to standalone financial statements
for the year ended March 31, 2024 (Contd.)

6 Loans (non-current)

(Rs. in Lakhs)

	As at March 31, 2024	As at March 31, 2023
<i>(Unsecured, considered good)</i>		
Loans to related parties (Refer Note 39) (Refer Note 49(a))	79.17	88.52
	79.17	88.52

There are no loans or advances in the nature of loans granted to promoters, directors, KMPs and their related parties, either severally or jointly with any other person, that are:

- (a) repayable on demand; or
- (b) without specifying any terms or period of repayment

7 Other non-current financial assets

(Rs. in Lakhs)

	As at March 31, 2024	As at March 31, 2023
<i>(Unsecured, considered good)</i>		
Fixed Deposits with banks [^] (with remaining maturity of more than 12 months)	275.99	95.71
Security deposits	1,908.33	1,372.90
Other advances	-	140.05
<i>(Unsecured, considered doubtful)</i>		
Security deposits	96.36	78.26
Other advances	97.75	79.39
Less : Allowance for credit impairment	(194.11)	(157.66)
	2,184.32	1,608.65

[^] Includes Rs. 92.57 Lakhs (March 31, 2023 Rs.94.80 Lakhs) of fixed deposits pledged against bank guarantee

The movement in allowance for credit impairment is as follows:

(Rs. in Lakhs)

	As at March 31, 2024	As at March 31, 2023
Opening balance	157.66	86.28
Change in allowance for credit impairment during the year	36.45	71.38
Written off during the year	-	-
Closing balance	194.11	157.66

8 Non-Current Tax Assets (Net)

(Rs. in Lakhs)

	As at March 31, 2024	As at March 31, 2023
Advance taxes (net of provision for taxes Rs. 1920.82 Lakhs (March 31, 2023 Rs. 17,225.02 Lakhs))	2,044.13	2,963.77
	2,044.13	2,963.77

Notes to standalone financial statements
 for the year ended March 31, 2024 (Contd.)

9 Other non-current assets

(Rs. in Lakhs)

	As at March 31, 2024	As at March 31, 2023
<i>(Unsecured, considered Good)</i>		
Capital advance	33.70	6.30
Prepaid expenses	10.63	25.37
	44.33	31.67
<i>(Unsecured, considered doubtful)</i>		
Capital advance		
- credit impaired	68.98	56.02
	68.98	56.02
Less : Allowance for credit impairment	(68.98)	(56.02)
	44.33	31.67

The movement in allowance for credit impairment is as follows:

(Rs. in Lakhs)

	As at March 31, 2024	As at March 31, 2023
Opening balance	56.02	34.86
Change in allowance for credit impairment during the year	12.96	21.16
Written off during the year	-	-
Closing balance	68.98	56.02

10 Inventories

(Rs. in Lakhs)

	As at March 31, 2024	As at March 31, 2023
<i>(valued at lower of cost and net realisable value)</i>		
Raw materials (Reagents, chemicals, diagnostic kits, medicines, consumables, etc)*	3,389.11	4,127.24
	3,389.11	4,127.24

(a) There are no goods in transit as on March 31, 2024 and March 31, 2023. During the year, the Company has recognized Rs. 100 Lakhs (March 31, 2023 Rs.106.73 Lakhs) as an expense towards expired stocks.

(b) Certain inventories are under lien against borrowings. (refer footnotes to note 19 and 22 for details).

11 Current Investments

(Rs. in Lakhs)

	As at March 31, 2024	As at March 31, 2023
(Quoted, at Fair Value Through Profit and Loss)		
Investments in mutual funds		
Aditya Birla Sun Life Overnight fund growth - Regular Plan - 277,933.80 (March 31, 2023 - 108,141.59) Units of Face Value Rs.1000 each	3,576.74	1,304.40
Aditya Birla Sun Life Liquid fund growth - Regular Plan - 14.945 (March 31, 2023 - 14.945) Units of Face Value Rs.100 each	0.06	0.05
HDFC Overnight fund - Regular Plan - Growth - 44.431 (March 31, 2023 - 44.431) Units of Face Value Rs.1000 each	1.58	1.49

Notes to standalone financial statements
for the year ended March 31, 2024 (Contd.)

(Rs. in Lakhs)

	As at March 31, 2024	As at March 31, 2023
HDFC Liquid fund - Regular Plan - Growth - 1.225 (March 31, 2023 - 1.225) Units of Face Value Rs.1000 each	0.06	0.05
ICICI Liquid fund - Regular Plan - Growth - 16.243 (March 31, 2023 - 16.243) Units of Face Value Rs.100 each	0.06	0.05
SBI Overnight fund - Regular Plan - Growth - 1.484 (March 31, 2023 - 1.484) Units of Face Value Rs.1000 each	0.06	0.05
SBI Liquid fund - Regular Plan - Growth - 46158.090 (March 31, 2023 - 1.537) Units of Face Value Rs.1000 each	1,728.93	0.05
	5,307.49	1,306.14
Investments in Commercial Papers		
Infrastructure Leasing & Financial Services Limited 100 (March 31, 2023 - 100) Units of Face Value Rs. 500,000 each	480.68	480.68
	480.68	480.68
Less : Provision for impairment	(480.68)	(480.68)
	5,307.49	1,306.14

The movement in allowance for credit impairment is as follows:

(Rs. in Lakhs)

	As at March 31, 2024	As at March 31, 2023
Opening balance	480.68	480.68
Change in allowance for credit impairment during the year	-	-
Written off during the year	-	-
Closing balance	480.68	480.68

The aggregate amount and market value of quoted and unquoted investments are as follows:

(Rs. in Lakhs)

	As at March 31, 2024	As at March 31, 2023
Aggregate amount of unquoted investments	-	-
Aggregate market value of unquoted investments	-	-
Aggregate amount of quoted investments	5,788.17	1,786.82
Aggregate amount of impairment in value of investments	480.68	480.68

12 Trade receivables

(Rs. in Lakhs)

	As at March 31, 2024	As at March 31, 2023
Trade receivables considered good- Secured	-	-
Trade receivables considered good- Unsecured*	14,938.91	13,623.28
Less: Allowance for expected credit loss	(1,935.98)	(1,004.11)
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	984.39	806.67
Less: Allowance for credit impairment	(984.39)	(806.67)
	13,002.93	12,619.17

* Includes amount receivable from related parties - Refer Note 39

**Notes to standalone financial statements
 for the year ended March 31, 2024 (Contd.)**

- a. No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.
- b. The Company provides pathology services to related parties on need basis. These transactions are on the same terms and conditions as those entered with other customers.

The movement in allowance for expected credit loss and credit impairment is as follows:

(Rs. in Lakhs)

	As at March 31, 2024	As at March 31, 2023
Opening balance	1,810.78	2,148.73
Change in allowance for expected credit loss and credit impairment during the year	1,109.59	(238.34)
Written off during the year	-	(99.61)
Closing balance	2,920.37	1,810.78

Trade receivables Ageing Schedule

As at March 31, 2024

(Rs. in Lakhs)

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables – considered good	3,801.15	6,293.36	1,983.25	948.33	1,317.14	595.68	14,938.91
Undisputed trade receivables which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables - credit impaired	-	-	12.21	-	-	972.18	984.39
Disputed trade receivables - considered good	-	-	-	-	-	-	-
Disputed trade receivables which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	-	-
Total (A)	3,801.15	6,293.36	1,995.46	948.33	1,317.14	1,567.85	15,923.30
Allowance for expected credit loss							1,935.98
Allowance for credit impairment							984.39
Total (B)							2,920.37
Total [(A)-(B)]	3,801.15	6,293.36	1,995.46	948.33	1,317.14	1,567.85	13,002.93

As at March 31, 2023

(Rs. in Lakhs)

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables – considered good	3,866.25	5,750.37	1,148.32	1,584.84	829.01	444.49	13,623.28
Undisputed trade receivables which have significant increase in credit risk	-	-	-	-	-	-	-

Notes to standalone financial statements
for the year ended March 31, 2024 (Contd.)

(Rs. in Lakhs)

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables - credit impaired	12.21	-	-	-	50.22	744.24	806.67
Disputed trade receivables - considered good	-	-	-	-	-	-	-
Disputed trade receivables which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	-	-
Total (A)	3,878.46	5,750.37	1,148.32	1,584.84	879.23	1,188.73	14,429.95
Allowance for expected credit loss							1,004.11
Allowance for credit impairment							806.67
Total (B)							1,810.78
Total [(A)-(B)]	3,878.46	5,750.37	1,148.32	1,584.84	879.23	1,188.73	12,619.17

13 (a) Cash and cash equivalents

(Rs. in Lakhs)

	As at March 31, 2024	As at March 31, 2023
Cash on hand	122.79	118.16
Balances with banks		
- in current accounts	2,697.99	1,787.53
- in EEFC account	37.86	2.99
- in fixed deposits accounts with original maturity of less than 3 months	-	500.00
	2,858.64	2,408.68

13 (b) Bank balances other than cash and cash equivalents

(Rs. in Lakhs)

	As at March 31, 2024	As at March 31, 2023
Investment in Term deposit with original maturity of more than 3 months but less than 12 months of reporting date *	152.83	1,837.94
Other bank balance (other than 13(a))	34.78	47.56
	187.61	1,885.50

* Includes Rs. Nil (March 31, 2023 Rs. 1218.61 Lakhs) fixed deposits pledged against bank guarantee

14 Loans (Current)

(Rs. in Lakhs)

	As at March 31, 2024	As at March 31, 2023
<i>(Unsecured, considered good)</i>		
Loans to related parties (Refer Note 39) and (Refer Note 49(a))	257.91	1,515.16
Advances to related parties (Refer Note 39)	45.77	44.96
Other advances	-	-
	303.68	1,560.12

**Notes to standalone financial statements
 for the year ended March 31, 2024 (Contd.)**

(Rs. in Lakhs)

	As at March 31, 2024	As at March 31, 2023
<i>(Unsecured, considered doubtful)</i>		
Advances to related parties (Refer Note 39)	44.00	44.00
Other advances	-	-
	44.00	44.00
Less : Allowance for credit impairment	(44.00)	(44.00)
	303.68	1,560.12

The movement in allowance for bad and doubtful advances is as follows:

(Rs. in Lakhs)

	As at March 31, 2024	As at March 31, 2023
Opening balance	44.00	88.91
Change in allowance for credit impairment during the year	-	(44.91)
Written off during the year	-	-
Closing balance	44.00	44.00

There is no loans or advances in the nature of loans granted to promoters, directors, KMPs and the related parties, either severally or jointly with any other person, that are:

- (a) repayable on demand; or
- (b) without specifying any terms or period of repayment

15 Other financial assets

(Rs. in Lakhs)

	As at March 31, 2024	As at March 31, 2023
<i>(Unsecured, considered good)</i>		
Other receivables *	15.41	415.41
Security deposits	541.33	903.27
Total	556.74	1,318.68

* Other receivables includes amount receivable from related party (Refer Note 39)

16 Other current assets

(Rs. in Lakhs)

	As at March 31, 2024	As at March 31, 2023
<i>(Unsecured, considered good)</i>		
Prepaid Expenses	573.04	384.92
Advance to employees	107.11	64.14
Advance to Suppliers	366.67	518.40
Other advances (Retainership fees, etc)	590.93	350.62
	1,637.75	1,318.08
<i>(Unsecured, considered doubtful)</i>		
Advance to employees	2.62	3.90
Advance to Suppliers	61.77	40.13
Other advances	-	-
	64.39	44.03
Less : Allowance for credit impairment	(64.39)	(44.03)
	1,637.75	1,318.08

Notes to standalone financial statements for the year ended March 31, 2024 (Contd.)

The movement in allowance for credit impairment is as follows:

(Rs. in Lakhs)

	As at March 31, 2024	As at March 31, 2023
Opening balance	44.03	339.44
Change in provision for credit impaired during the year	20.36	(295.41)
Written off during the year	-	-
Closing balance	64.39	44.03

17 Equity share capital

(a) Details of authorised, issued and subscribed share capital

(Rs. in Lakhs)

Particulars	31 March 2024		31 March 2023	
	Number	Amount	Number	Amount
Authorised Capital				
Equity shares of the par value of Rs. 2 each (31 March 2023 par value of Rs 2 each)	31,93,04,015	6,386.08	31,93,04,015	6,386.08
Issued, Subscribed and fully Paid up				
Equity Shares of the par value Rs 2/- each (31 March 2023 par value of Rs 2 each)	5,12,26,861	1,024.54	5,12,10,664	1,024.21
	5,12,26,861	1,024.54	5,12,10,664	1,024.21

(b) Reconciliation of number of shares at the beginning and at the end of the year

(Rs. in Lakhs)

	31 March 2024		31 March 2023	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	5,12,10,664	1,024.21	5,11,72,119	1,023.44
Issued under Metropolis Employee Stock Option Scheme 2015 and Metropolis - Restrictive Stock Unit Plan, 2020 (Refer Note 48(c))	16,197	0.32	38,545	0.77
Shares outstanding at the end of the year	5,12,26,861	1,024.54	5,12,10,664	1,024.21

(c) Details of shareholders holding more than 5% of the aggregate equity shares in the Company

(Rs. in Lakhs)

Name of Shareholder	31 March 2024		31 March 2023	
	Number	Percentage	Number	Percentage
Sushil Kanubhai Shah Family Trust	25,58,187	4.99%	25,58,187	5.00%
UTI Mutual Fund	27,93,325	5.45%	35,80,371	6.99%
HDFC Mutual Fund	34,06,307	6.65%	-	-
Metz Advisory LLP #	1,56,91,216	30.63%	1,56,91,216	30.64%
Duru Sushil Shah Family Trust	49,64,026	9.69%	49,64,026	9.69%

Includes five Equity Shares held by Ameera Sushil Shah as nominee of Metz Advisory LLP

Notes to standalone financial statements
 for the year ended March 31, 2024 (Contd.)

(d) Details of shares held by promoters
As at 31 March 2024

(Rs. in Lakhs)

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Sushil Kanubhai Shah	13,17,058	35,000	12,82,058	2.50%	0.07%
Ameera Sushil Shah	1,81,845	-	1,81,845	0.35%	0.00%
Duru Shah Family Trust	49,64,026	-	49,64,026	9.69%	0.00%
Sushil Shah Family Trust	25,58,187	-	25,58,187	4.99%	0.00%
Duru Sushil Shah	7,65,659	-	7,65,659	1.49%	0.00%
Metz Advisory LLP	1,56,91,216	-	1,56,91,216	30.63%	0.00%
Total	2,54,77,991	35,000	2,54,42,991	49.65%	-

As at 31 March 2023

(Rs. in Lakhs)

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Sushil Kanubhai Shah	25,97,325	(12,80,267)	13,17,058	2.57%	2.50%
Ameera Sushil Shah	1,81,845	-	1,81,845	0.36%	0.00%
Duru Shah Family Trust	36,83,760	12,80,266	49,64,026	9.69%	2.50%
Sushil Shah Family Trust	12,77,920	12,80,267	25,58,187	5.00%	2.50%
Duru Sushil Shah	20,45,925	(12,80,266)	7,65,659	1.50%	2.50%
Metz Advisory LLP	1,56,91,216	-	1,56,91,216	30.64%	0.00%
Total	2,54,77,991	-	2,54,77,991	49.76%	-

(e) Terms/rights attached to equity shares

The Company has only one class of Equity shares having a par value of Rs.2 per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(f) The Company has not issued any bonus shares or shares for consideration other than cash and has not bought back any shares during the period of five years immediately preceding the reporting date.

(g) Dividends

(Rs. in Lakhs)

Particulars	31 March 2024	31 March 2023
Declared during the year		
Interim dividend for FY 2023-24: Rs.4 per equity share (FY 2022-23: Rs 8 per equity share)	2,048.95	4,096.85
	2,048.95	4,096.85

(h) For details of shares reserved for issue under the employee stock option (ESOP) plan of the Company. Refer note 46(c).

Notes to standalone financial statements
for the year ended March 31, 2024 (Contd.)

18 Other equity

(Rs. in Lakhs)

	As at March 31, 2024	As at March 31, 2023
Securities Premium	15,965.50	15,965.50
Capital redemption reserve	0.33	0.33
General Reserve	2,965.06	2,861.38
Share application money pending allotment	0.05	0.01
Employee stock options reserve	772.70	734.74
Retained Earnings	82,390.54	73,015.47
	1,02,094.18	92,577.43
Securities Premium		
Balance at the beginning of the year	15,965.50	15,947.91
Share options exercised under MESOS 2007/2015 (Refer Note 46(c))	-	17.59
Balance at the end of the year	15,965.50	15,965.50
Capital redemption reserve		
Balance as at the beginning of the year	0.33	0.33
Balance as at the end of the year	0.33	0.33
General Reserve		
Balance at the beginning and end of the year	2,861.38	2,388.11
Transfer from ESOP exercised during the year (Refer Note 46(c))	103.68	473.27
Balance at the end of the year	2,965.06	2,861.38
Share application money pending allotment		
Balance at the beginning of the year	0.01	-
Add: Addition during the year	0.05	0.01
Less: Allotment/refund	(0.01)	-
Balance at the end of the year	0.05	0.01
Employee stock options reserve		
Balance at the beginning of the year	734.74	1,179.50
Transfer to General Reserve on account of ESOP exercised during the year (Refer Note 46(c))	(103.68)	(473.27)
Share based payments (Refer Note 32)	141.64	28.51
Balance at the end of the year	772.70	734.74
Retained Earnings		
Balance at the beginning of the year	73,015.47	63,381.31
Add: Transferred from the statement of profit and loss	11,588.98	13,894.73
Less: Interim Dividend	(2,048.95)	(4,096.85)
Remeasurement of defined benefit plan (net of tax)	(164.96)	(163.72)
Balance at the end of the year	82,390.54	73,015.47
Other comprehensive income /(loss)		
Re-measurement gain/ (loss) on defined benefit plans (net of taxes)		
At the beginning of the year	(384.76)	(221.04)
Movement during the year	(164.96)	(163.72)
At the end of the year	(549.72)	(384.76)

Notes to standalone financial statements for the year ended March 31, 2024 (Contd.)

Nature and purpose of Reserves

Securities Premium

The amount received in excess of face value of the equity shares is recognized in Securities Premium. It can be used to issue bonus shares, to purchase of its own shares, to provide for premium on redemption of shares or debentures, write-off equity related expenses like underwriting costs, etc.

Capital redemption reserve

As per Companies Act, 2013, capital redemption reserve is created when company purchases its own shares out of free reserves or securities premium. A sum equal to the nominal value of the shares so purchased is transferred to capital redemption reserve. The reserve is to be utilised in accordance with the provisions of section 69 of the Companies Act, 2013.

General Reserve

General Reserve is free reserve which is created by transferring funds from retained earnings to meet future obligations or purposes.

Share application money pending allotment

Share Application Money Pending Allotment represents application money received on account of Employees Stock Option Scheme.

Employee stock options reserve

The Company has established equity settled share based payment plan for certain categories of employees. Refer Note 46(c).

Retained Earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained Earnings is a free reserve available to the Company.

Re-measurement gain/ (loss) on defined benefit plans (net of taxes)

The Company has elected to recognise changes in the value of certain liabilities toward employee compensation in Other Comprehensive Income. These changes are accumulated within re-measurement gain/ (loss) on defined benefit plan reserve within equity.

19 Non- current borrowings

(Rs. in Lakhs)

	As at March 31, 2024	As at March 31, 2023
Secured		
Term loans from banks	-	2,861.42
Unsecured		
Loans from related parties	-	216.00
	-	3,077.42

- Term loan from a bank amounting to Rs. 15,000 Lakhs is secured through first charge by way of pledge on 30% shares of Dr. Ganesan's Hitech Diagnostic Centre Limited (now merged with Metropolis Healthcare Limited) and 30% shares of Desai Metropolis Health Services Private Limited (now merged with Metropolis Healthcare Limited). The Term loan was repayable in 36 equal monthly instalments with October 21, 2024 as maturity date with an interest rate as agreed with the bank. The loan has been prepaid during the year & there is no outstanding as on March 31, 2024. Rate of interest for the year ended March 31, 2024 is 7.49% (March 31, 2023: 7.24%).
- Loan from related party amounting to Rs. 324 Lakhs is repayable in 36 equal monthly instalments with 01 March 2026 as maturity date with an interest rate as agreed with the related party. The loan has been prepaid during the year & there is no outstanding as on March 31, 2024. Rate of interest for the year ended March 31, 2024 is 7.49% (March 31, 2023: 7.49%).
- Quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.

Notes to standalone financial statements for the year ended March 31, 2024 (Contd.)

20 Other non-current financial liabilities

(Rs. in Lakhs)

	As at March 31, 2024	As at March 31, 2023
Deferred purchase consideration payable (Refer Note 49(b))	-	54.95
	-	54.95

21 Provisions (non-current)

(Rs. in Lakhs)

	As at March 31, 2024	As at March 31, 2023
Provision for employee benefits:		
- Gratuity (Refer Note 46(a))	1,551.63	1,281.13
	1,551.63	1,281.13

22 Current borrowings

(Rs. in Lakhs)

	As at March 31, 2024	As at March 31, 2023
Secured		
Term loans from banks	-	5,043.81
Unsecured		
Loans from related parties	-	108.00
	-	5,151.81

- a) Term loan from a bank amounting to Rs. 15,000 Lakhs is secured through first charge by way of pledge on 30% shares of Dr. Ganesan's Hitech Diagnostic Centre Limited (now merged with Metropolis Healthcare Limited) and 30% shares of Desai Metropolis Health Services Private Limited (now merged with Metropolis Healthcare Limited). The Term loan is repayable in 36 equal monthly instalments with October 21, 2024 as maturity date with an interest rate as agreed with the bank. The loan has been prepaid during the year & there is no outstanding as on March 31, 2024. Rate of interest for the year ended March 31, 2024 is 7.49% (March 31, 2023: 7.24%).
- b) Loan from related party amounting to Rs. 324 Lakhs is repayable in 36 equal monthly instalments with March 01, 2026 as maturity date with an interest rate as agreed with the related party. The loan has been prepaid during the year & there is no outstanding as on March 31, 2024. Rate of interest for the year ended March 31, 2024 is 7.49% (March 31, 2023: 7.49%).
- c) Quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.
- d) The Company had availed cash credit facility from ICICI Bank, which was secured by charge over stock in trade and book debts of the Company and interest was chargeable as approved by the Bank. However, same is unutilised as on March 31, 2024.

23 Trade payables

(Rs. in Lakhs)

	As at March 31, 2024	As at March 31, 2023
Total outstanding dues of micro enterprises and small enterprises (Refer Note 45)	26.24	176.58
Total outstanding due of creditors other than micro and small enterprises*	9,313.63	8,395.52
	9,339.87	8,572.10

* Includes amount payable to related parties - Refer Note 39

**Notes to standalone financial statements
 for the year ended March 31, 2024 (Contd.)**

The Company obtains services from related parties on need basis. These transactions are on the same terms and conditions as those entered with other vendors.

Ageing for trade payables from the due date of payment for each of the category as at March 31, 2024
As at March 31, 2024

(Rs. in Lakhs)

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
Undisputed dues of micro enterprises and small enterprises	26.24	-	-	-	26.24
Undisputed dues of creditors other than micro enterprises and small enterprises	8,882.77	142.74	120.55	167.57	9,313.63
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
Total	8,909.01	142.74	120.55	167.57	9,339.87

Ageing for trade payables from the due date of payment for each of the category as at March 31, 2023
As at March 31, 2023

(Rs. in Lakhs)

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
Undisputed dues of micro enterprises and small enterprises	175.92	0.16	0.04	0.46	176.58
Undisputed dues of creditors other than micro enterprises and small enterprises	7,913.71	151.99	213.35	116.47	8,395.52
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
Total	8,089.63	152.15	213.39	116.93	8,572.10

24 Other current financial liabilities

(Rs. in Lakhs)

	As at March 31, 2024	As at March 31, 2023
Employee related dues	987.94	963.52
Payable towards capital expenditure	389.55	535.95
Payable towards acquisition of business (Refer Note 49 (b))	137.99	142.43
Security deposits	136.74	87.10
Unpaid dividend	0.46	1.11
Others (unspent CSR liability, etc)	22.07	115.65
	1,674.75	1,845.76

Notes to standalone financial statements for the year ended March 31, 2024 (Contd.)

25 Other current liabilities

(Rs. in Lakhs)

	As at March 31, 2024	As at March 31, 2023
Statutory dues*	560.15	347.87
Advance from customers (Refer Note 44(a))	1,458.21	1,398.48
Deferred revenue	63.84	67.32
Other payable**	59.57	59.57
	2,141.77	1,873.24

* Statutory Dues payable include Tax Deducted at Source, Provident Fund, Professional tax and Others

** Other payable include payable to CA Lotus and Sushil Shah on account of refund of additional filing fee received from SEBI

26 Provisions

(Rs. in Lakhs)

	As at March 31, 2024	As at March 31, 2023
Provision for employee benefits:		
- Gratuity (Refer Note 46 (a))	1,008.56	929.85
- Compensated absences (Refer Note 46(d))	31.68	19.49
	1,040.24	949.34

27 Current tax liabilities (net)

(Rs. in Lakhs)

	As at March 31, 2024	As at March 31, 2023
Provision for taxation (net of advance tax - Rs. 2875.70 Lakhs (March 31, 2023 Rs 3,723.37 Lakhs)	1,543.09	780.68
	1,543.09	780.68

28 Revenue from Operations

(Rs. in Lakhs)

	March 31, 2024	March 31, 2023
Service Income (Refer Note 44(b))	1,10,342.54	1,06,604.07
India	1,07,868.05	1,04,926.30
Outside India	2,474.49	1,677.77
	1,10,342.54	1,06,604.07

29 Other income

(Rs. in Lakhs)

	March 31, 2024	March 31, 2023
Interest income		
- from banks	54.90	160.51
- from related parties (Refer Note 39)	45.87	67.25
- on income tax refund	-	54.40
- others (Interest income on deposits)	108.75	99.41
Dividend income		
- from related parties (Refer Note 39)	250.00	800.00

**Notes to standalone financial statements
 for the year ended March 31, 2024 (Contd.)**

(Rs. in Lakhs)

	March 31, 2024	March 31, 2023
Other non-operating income		
- Net gain on redemption of mutual fund investments	97.53	-
- Fair value gain on mutual funds measured at FVTPL	18.08	67.81
- Foreign exchange gain (net)	72.17	430.57
- Sundry balances written back (net)	249.37	-
- Miscellaneous income	303.00	448.31
	1,199.67	2,128.26

30 Cost of materials consumed

(Rs. in Lakhs)

	March 31, 2024	March 31, 2023
Opening stock (Refer Note 10)	4,127.24	4,700.75
Add: Purchases	21,309.72	22,981.07
	25,436.96	27,681.82
Less: Closing stock (Refer Note 10)	3,389.11	4,127.24
	22,047.85	23,554.58

31 Laboratory testing charges

(Rs. in Lakhs)

	March 31, 2024	March 31, 2023
Laboratory testing charges	993.14	574.87
	993.14	574.87

32 Employee benefits expense

(Rs. in Lakhs)

	March 31, 2024	March 31, 2023
Salaries, wages and bonus	21,783.08	20,180.71
Gratuity expenses (Refer Note 46(a))	399.19	331.02
Contribution to provident and other funds (Refer Note 46(b))	1,484.99	1,391.78
Share based payment to employees (Refer Note 46(c))*	141.64	28.51
Staff welfare expenses	850.80	884.27
	24,659.70	22,816.29

*During the year ended March 31, 2024, total expense of Rs 237.27 Lakhs (March 31, 2023 Rs. 28.51 Lakhs) includes reversals due to lapsed options amounting to Rs. 325.54 Lakhs (March 31, 2023 Rs.712.05 Lakhs).

33 Finance costs

(Rs. in Lakhs)

	March 31, 2024	March 31, 2023
Interest on borrowing	394.63	1,020.84
Interest on deferred purchase consideration measured at amortised cost (Refer Note 49(b))	5.61	9.92
Interest on lease liabilities (Refer Note 43)	1,833.36	1,638.42
	2,233.60	2,669.18

Notes to standalone financial statements
for the year ended March 31, 2024 (Contd.)

34 Depreciation and amortization expenses

(Rs. in Lakhs)

	March 31, 2024	March 31, 2023
Depreciation on property, plant and equipment (Refer Note 3)	1,457.84	2,330.03
Amortisation of intangible assets (Refer Note 4)	1,523.44	1,396.62
Amortisation of right-of-use asset (Refer Note 43)	6,092.00	4,768.95
	9,073.28	8,495.60

35 Other expenses

(Rs. in Lakhs)

	March 31, 2024	March 31, 2023
Accreditation expenses	199.33	166.15
Laboratory expenses	244.44	215.93
Electricity and water	1,504.20	1,349.82
Rent (Refer Note 43 (9))	9,619.90	9,013.55
Repairs and maintenance		
- Buildings	29.31	27.80
- Plant and equipment	2,369.16	1,738.05
- Others	236.42	233.77
Insurance	272.99	249.30
Rates and taxes	98.56	76.21
Payments to auditors (Refer Note 42)	131.00	143.93
Foreign exchange Loss (net)	-	-
Legal and professional fees	7,842.08	7,605.52
Travelling and conveyance	1,231.47	1,026.38
Printing and stationery	784.53	683.11
Provision for bad and doubtful debts (net)	1,109.59	(243.40)
Provision for doubtful advances (net)	219.77	-
Credit impaired trade receivables written off	-	5.06
Postage and courier	4,726.12	4,839.31
Communication expenses	453.52	466.43
Advertisement and sales promotion expenses	2,853.60	2,202.62
Facility maintenance charges	1,270.21	1,324.15
Corporate social responsibility expenses (Refer Note 48)	506.56	513.83
Directors' sitting fee & commission (Refer Note 39)	60.77	78.86
Bank charges	491.04	460.16
Write-off of Property, Plant and Equipment	-	13.50
Miscellaneous expenses	539.16	537.25
	36,793.73	32,727.29

36 Income taxes

(a) Tax expense recognized in Profit and Loss

(Rs. in Lakhs)

Particulars	March 31, 2024	March 31, 2023
Current tax expense		
Current year	4,413.79	4,500.05

Notes to standalone financial statements
 for the year ended March 31, 2024 (Contd.)

(Rs. in Lakhs)

Particulars	March 31, 2024	March 31, 2023
Tax adjustments for earlier year	(6.09)	(258.48)
Total (A)	4,407.70	4,241.57
Deferred tax expense		
Relating to (reversal) and addition of temporary differences	(255.77)	(241.78)
Total (B)	(255.77)	(241.78)
Total (A+B)	4,151.93	3,999.79

(b) Tax charge recognized in Other Comprehensive Income

(Rs. in Lakhs)

Particulars	March 31, 2024		
	Pre tax	Tax benefit/ (expense)	Net of tax
Items that will not be reclassified to profit or loss			
Remeasurements of the defined benefit plans	(220.44)	55.48	(164.96)
	(220.44)	55.48	(164.96)

(Rs. in Lakhs)

Particulars	March 31, 2023		
	Pre tax	Tax benefit/ (expense)	Net of tax
Items that will not be reclassified to profit or loss			
Remeasurements of the defined benefit plans	(218.79)	55.07	(163.72)
	(218.79)	55.07	(163.72)

(c) Reconciliation of Effective Tax Rate

(Rs. in Lakhs)

Particulars	March 31, 2024	March 31, 2023
Profit before tax	15,740.91	17,894.52
Statutory income tax rate	25.17%	25.17%
Expected income tax expense	3,961.67	4,503.69
Tax effect of adjustments to reconcile expected Income Tax Expense to reported Income Tax Expense:		
Expenses disallowed under Income tax Act, 1961	190.63	131.90
Dividend Income (Exempt Income)	(62.93)	(201.34)
Tax adjustments of earlier years	(6.09)	(258.48)
Others	68.65	(175.98)
Total income tax expense	4,151.93	3,999.79
Effective Tax Rate	26.38%	22.35%
Total tax expense as per statement of profit and loss	4,151.93	3,999.79

Notes to standalone financial statements
for the year ended March 31, 2024 (Contd.)

(d) Movement in deferred tax assets and liabilities

As at March 31, 2024

(Rs. in Lakhs)

Particulars	Net balance April 01, 2023	Recognized in profit or loss	Recognized in OCI	Recognized in Retained earning	Net deferred tax asset / (liabilities)	Deferred tax asset	Deferred tax (liabilities)
Deferred tax liabilities							
Property, plant and equipment, Other intangible assets and Goodwill	(9,478.55)	(148.38)	-	-	(9,626.93)	-	(9,626.93)
Deferred tax asset							
Current investments	120.98	-	-	-	120.98	120.98	-
Interest on Borrowings IND AS 109	(1.05)	2.36	-	-	1.31	1.31	-
ROU asset and Lease Liabilities	348.29	75.15	-	-	423.44	423.44	-
Provision for bad and doubtful debts	531.67	296.81	-	-	828.48	828.48	-
Employee Share based payments	214.51	-	-	-	214.51	214.51	-
Provision for employee benefits	561.37	35.47	55.48	-	652.32	652.32	-
Others	26.82	(5.64)	-	-	21.18	21.18	-
Tax assets (liabilities)	(7,675.96)	255.77	55.48	-	(7,364.71)	2,262.22	(9,626.93)
Net Tax Assets (Liabilities)	(7,675.96)	255.77	55.48	-	(7,364.71)	2,262.22	(9,626.93)

As at March 31, 2023

(Rs. in Lakhs)

Particulars	Net balance April 01, 2022	Recognized in profit or loss	Recognized in OCI	On account of Business acquisition	Net deferred tax asset / (liabilities)	Deferred tax asset	Deferred tax (liabilities)
Deferred tax liabilities							
Property, plant and equipments and intangibles	(9,820.41)	341.86	-	-	(9,478.55)	-	(9,478.55)
Deferred tax asset							
DTA Takenover on Liquidation	-	-	-	-	-	-	-
Current investments	87.68	33.30	-	-	120.98	120.98	-
Interest on Borrowings IND AS 109	-	(1.05)	-	-	(1.05)	-	(1.05)
ROU asset and Lease Liabilities	276.29	72.00	-	-	348.29	348.29	-
Provision for bad and doubtful debts	657.71	(126.04)	-	-	531.67	531.67	-
Employee Share based payments	214.51	-	-	-	214.51	214.51	-
Provision for employee benefits	562.35	(56.05)	55.07	-	561.37	561.37	-
Others	49.04	(22.22)	-	-	26.82	26.82	-
Tax assets (liabilities)	(7,972.83)	241.80	55.07	-	(7,675.96)	1,803.64	(9,479.60)
Net Tax Assets (Liabilities)	(7,972.83)	241.80	55.07	-	(7,675.96)	1,803.64	(9,479.60)

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Significant management judgement is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income and the period over which deferred income tax assets will be recovered. Any changes in future taxable income would impact the recoverability of deferred tax assets.

Notes to standalone financial statements
 for the year ended March 31, 2024 (Contd.)

(e) Tax Assets and Liabilities

(Rs. in Lakhs)

Particulars	March 31, 2024	March 31, 2023
Non current tax assets (net of tax provision)	2,044.13	2,963.77
Current tax liabilities (net of tax assets)	1,543.09	780.68

37 Earnings per share (EPS)

Basic EPS calculated by dividing the net profit for the year attributable to equity holders by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders (after adjusting profit impact of dilutive potential equity shares, if any) by the aggregate of weighted average number of Equity shares outstanding during the year and the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

(Rs. in Lakhs)

Particulars	March 31, 2024	March 31, 2023
i. Profit attributable to equity holders (Rs. in Lakhs)		
Profit attributable to equity holders for basic and diluted EPS	11,588.98	13,894.73
	11,588.98	13,894.73
ii. Weighted average number of shares for calculating basic EPS	5,12,19,781	5,11,96,399
iii. Effect of dilution		
Share options	1,74,635	1,73,624
Weighted average number of shares for calculating diluted EPS	5,13,94,416	5,13,70,023
iv. Basic earnings per share (Rs)	22.63	27.14
v. Diluted earnings per share (Rs)	22.55	27.05

38 Financial instruments – Fair values
A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

(Rs. in Lakhs)

Particulars	As at March 31, 2024							
	Carrying amount				Fair value			
	FVTPL	FVOCI	Amortized Cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
Non Current Financial assets								
Non-current investments - Equity instruments (other than Subsidiaries, Joint ventures and Associates)**	-	-	-	-	-	-	-	-
Non-current loans	-	-	79.17	79.17	-	-	-	-
Other non current financial assets	-	-	2,184.32	2,184.32	-	-	-	-
Current Financial assets								
Investment in mutual funds	5,307.49	-	-	5,307.49	5,307.49	-	-	5,307.49
Trade receivables	-	-	13,002.93	13,002.93	-	-	-	-
Cash and cash equivalents	-	-	2,858.64	2,858.64	-	-	-	-

Notes to standalone financial statements
for the year ended March 31, 2024 (Contd.)

(Rs. in Lakhs)

Particulars	As at March 31, 2024							
	Carrying amount				Fair value			
	FVTPL	FVOCI	Amortized Cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
Bank Balances other than Cash and cash equivalents	-	-	187.61	187.61	-	-	-	-
Current loans	-	-	303.68	303.68	-	-	-	-
Other current financial assets	-	-	556.74	556.74	-	-	-	-
	5,307.49	-	19,173.09	24,480.58	5,307.49	-	-	5,307.49
Non Current Financial liabilities								
Borrowings	-	-	-	-	-	-	-	-
Other non-current financial liabilities	-	-	-	-	-	-	-	-
Lease Liabilities	-	-	11,797.87	11,797.87	-	-	-	-
Current Financial liabilities								
Borrowings	-	-	-	-	-	-	-	-
Trade payables	-	-	9,339.87	9,339.87	-	-	-	-
Other current financial liabilities	-	-	1,674.75	1,674.75	-	-	-	-
Lease Liabilities	-	-	7,697.48	7,697.48	-	-	-	-
	-	-	30,509.97	30,509.97	-	-	-	-

(Rs. in Lakhs)

Particulars	As at March 31, 2023							
	Carrying amount				Fair value			
	FVTPL	FVOCI	Amortized Cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
Non Current Financial assets								
Non-current investments - Equity instruments (other than Subsidiaries, Joint ventures and Associates)**	-	-	-	-	-	-	-	-
Non-current loans	-	-	88.52	88.52	-	-	-	-
Other non current financial assets	-	-	1,608.65	1,608.65	-	-	-	-
Current Financial assets								
Investment in mutual funds	1,306.14	-	-	1,306.14	1,306.14	-	-	1,306.14
Trade receivables	-	-	12,619.17	12,619.17	-	-	-	-
Cash and cash equivalents	-	-	2,408.68	2,408.68	-	-	-	-
Bank Balances other than Cash and cash equivalents	-	-	1,885.50	1,885.50	-	-	-	-
Current loans	-	-	1,560.12	1,560.12	-	-	-	-
Other current financial assets	-	-	1,318.68	1,318.68	-	-	-	-
	1,306.14	-	21,489.32	22,795.46	1,306.14	-	-	1,306.14
Non Current Financial liabilities								
Borrowings	-	-	3,077.42	3,077.42	-	-	-	-
Other non-current financial liabilities	-	-	54.95	54.95	-	-	-	-
Lease Liabilities	-	-	12,411.40	12,411.40	-	-	-	-
Current Financial liabilities								
Borrowings	-	-	5,151.81	5,151.81	-	-	-	-
Trade payables	-	-	8,572.10	8,572.10	-	-	-	-
Other current financial liabilities	-	-	1,845.76	1,845.76	-	-	-	-
Lease Liabilities	-	-	6,154.04	6,154.04	-	-	-	-
	-	-	37,267.48	37,267.48	-	-	-	-

Notes to standalone financial statements for the year ended March 31, 2024 (Contd.)

**The fair value in respect of the unquoted equity investments cannot be reliably estimated. The Company has currently measured them at their cost, i.e. Rs. 175.28 Lakhs (March 31, 2023 Rs. 175.28 Lakhs)

The Fair value of cash and cash equivalents, other bank balances, trade receivables, trade payables approximated their carrying value largely due to short term maturities of these instruments.

Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual creditworthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

The call options are fair valued at each reporting date through statement of profit and loss.

B. Fair value hierarchy

Ind AS 107, 'Financial Instrument - Disclosure' requires classification of the valuation method of financial instruments measured at fair value in the Balance Sheet, using a three level fair-value-hierarchy (which reflects the significance of inputs used in the measurements). The hierarchy gives the highest priority to un-adjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to un-observable inputs (Level 3 measurements). The three levels of the fair-value-hierarchy under Ind AS 107 are described below:

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities included in level 3.

Financial instruments measured at fair value

The following table shows the valuation techniques used in measuring Level 2 and Level 3 fair values for financial instruments measured at fair value in the balance sheet as well as the significant unobservable inputs used.

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Investment in mutual funds	The fair value of the units of mutual fund scheme are based on net asset value at the reporting date.	Not applicable	Not applicable
Investment in Commercial Papers	The fair value of commercial papers is derived through Stochastic Local Volatility process, where in yield is derived from trade data and pooled levels of similar instruments with similar maturity and credit rating that are traded in secondary market, adjusted by an illiquidity factor.	Not applicable	Not applicable

(C) Financial risk management

The Company' Board of Directors has overall responsibility for the establishment and oversight of the Company' risk management framework.

The Company has exposure to the following risks arising from financial instruments

- Credit risk

Notes to standalone financial statements for the year ended March 31, 2024 (Contd.)

- Liquidity risk
- Market risk

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's trade and other receivables and cash and cash equivalents. The maximum exposure to credit risk in case of all the financial instruments covered below is restricted to their respective carrying amount.

a. Trade receivables and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments.

The Company does not have any significant concentration of credit risk. Further, company has no customer (March 31, 2023- NIL) which accounts for 10% or more of the total trade receivables at each reporting date.

Trade receivables are generally on terms of 30 to 90 days.

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix.

The movement in the provision for bad and doubtful debts for the year ended March 31, 2024

Particulars	Amount
Balance as at April 01, 2022	2,148.73
Deduction on account of w/off	(99.61)
Expected Credit Loss allowance	(238.34)
Balance as at March 31, 2023	1,810.78
Deduction on account of w/off	-
Expected Credit Loss allowance	1,109.59
Balance as at March 31, 2024	2,920.37

(Rs. in Lakhs)

b. Cash and cash equivalents and Other bank balances

The Company held cash and cash equivalents and other bank deposits as at March 31, 2024 Rs. 3,046.25 Lakhs (March 31, 2023 Rs. 4,271.73 Lakhs). The cash and cash equivalents and other bank balances are held with banks with good credit ratings.

c. Investments

The Company limits its exposure to credit risk by generally investing in liquid securities and only with counterparties that have a good credit rating. The Company does not expect any losses from non-performance by these counterparties, and does not have any significant concentration of exposures to specific industry sectors or specific country risks.

d. Loans and advances

Loans and advances mainly consist security deposit and advances to related parties.

The security deposit pertains to rent deposit given to lessors. The Company does not expect any losses from non-performance by these counter-parties.

The loans and advances given majorly pertains to subsidiaries. The parties have been generally regular in making payments and hence the Company does not expect significant impairment losses on its current profile of outstanding advances. The

**Notes to standalone financial statements
 for the year ended March 31, 2024 (Contd.)**

advances which have defaulted in the past is mainly on account of uncontrollable adverse local market conditions which has diluted parties credit worthiness.

The movement in the provision for advances having significant increase in credit risk and which are credit impaired for the year ended March 31, 2024:

(Rs. in Lakhs)	
Particulars	Amount (in Lakhs)
Balance as at April 01, 2022	549.50
Movement during the year	(247.79)
Advances w/off during the year	-
Balance as at March 31, 2023	301.71
Movement during the year	219.77
Advances w/off during the year	-
Balance as at March 31, 2024	521.48

Liquidity risk:

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions.

Maturities of financial liabilities

The table below analyzes the Company's financial liabilities into relevant maturity groupings based on their contractual maturities:

(Rs. in Lakhs)						
As at March 31, 2024	Contractual cash flows					
	Carrying amount	Total	Upto 1 year	1-3 years	3-5 years	More than 5 years
Non-derivative financial liabilities						
Payable towards acquisition of business	137.99	140.50	140.50	-	-	-
Lease Liabilities	19,495.35	23,553.99	7,697.48	12,565.18	2,280.44	1,010.89
Trade payables	9,339.87	9,339.87	9,339.87	-	-	-
Other current financial liabilities	1,674.75	1,674.75	1,674.75	-	-	-
	30,647.96	34,709.11	18,852.60	12,565.18	2,280.44	1,010.89
Total	30,647.96	34,709.11	18,852.60	12,565.18	2,280.44	1,010.89

(Rs. in Lakhs)						
As at March 31,, 2023	Contractual cash flows					
	Carrying amount	Total	Upto 1 year	1-3 years	3-5 years	More than 5 years
Non-derivative financial liabilities						
Payable towards acquisition of business	197.38	205.50	145.00	60.50	-	-
Lease Liabilities	18,565.44	22,534.43	6,154.04	10,308.72	3,891.72	2,179.95
Trade payables	8,572.10	8,572.10	8,572.10	-	-	-
Other current financial liabilities	1,703.33	1,703.33	1,703.33	-	-	-
	29,038.25	33,015.36	16,574.47	10,369.22	3,891.72	2,179.95
Total	29,038.25	33,015.36	16,574.47	10,369.22	3,891.72	2,179.95

The outflows disclosed in the above table represent the total contractual undiscounted cash flows and total interest payable on borrowings

Notes to standalone financial statements for the year ended March 31, 2024 (Contd.)

Market risk:

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. The Company is exposed to market risk primarily related to foreign exchange rate risk and interest rate risk. The objective of market risk management is to avoid excessive exposure in foreign currency revenues and costs.

a. Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company has foreign currency trade payables and receivables and is therefore exposed to foreign exchange risk.

Exposure to currency risk (Exposure in different currencies converted to functional currency i.e. Rs.)

The currency profile of financial assets and financial liabilities as at March 31, 2024 and as at March 31, 2023 are as below:

(Rs. in Lakhs)

March 31, 2024	USD	OMR	EUR	GBP	SGD
Financial assets (A)					
Trade and other receivables	3,378.22	-	-	-	-
Loans	233.15	-	-	-	-
Interest receivable	32.67	-	-	-	-
Advance given	53.25	-	-	-	-
Financial liabilities (B)					
Trade and other payables	34.67	-	5.83	0.55	-
Net exposure (A - B)	3,662.62	-	(5.83)	(0.55)	-

(Rs. in Lakhs)

March 31, 2023	USD	OMR	EUR	GBP	SGD
Financial assets (A)					
Trade and other receivables	2,759.09	-	-	-	-
Loans	1,026.59	-	-	-	-
Interest receivable	509.81	-	-	-	-
Advance given	139.22	-	-	0.04	28.04
Financial liabilities (B)					
Trade and other payables	31.82	-	-	-	-
Advance taken	1.09	-	-	-	-
Net exposure (A - B)	4,401.80	-	-	0.04	28.04

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against foreign currencies at March 31, 2024 and March 31, 2023 would have affected the measurement of financial instruments denominated in foreign currencies and affected Statement of profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

(Rs. in Lakhs)

Effect in Rs.	March 31, 2024		March 31, 2023	
	Strengthening	Weakening	Strengthening	Weakening
3% movement				
USD	(109.88)	109.88	(132.05)	132.05
OMR	-	-	-	-
EUR	0.17	(0.17)	-	-
GBP	0.02	(0.02)	(0.00)	0.00
SGD	-	-	(0.84)	0.84
	(109.69)	109.69	(132.90)	132.90

**Notes to standalone financial statements
 for the year ended March 31, 2024 (Contd.)**
b. Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

The Company does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

The interest rate profile of the Company's interest-bearing financial instruments is as follows.

Particulars	(Rs. in Lakhs)	
	March 31, 2024	March 31, 2023
Fixed-rate instruments		
Financial assets	8,523.05	7,119.64
Financial liabilities	(137.99)	(18,762.82)
	8,385.06	(11,643.18)
Variable-rate instruments		
Financial assets	-	-
Financial liabilities	(19,495.35)	(8,229.23)
	(19,495.35)	(8,229.23)
Total	(11,110.29)	(19,872.41)

Interest rate sensitivity - variable rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased / decreased equity and profit or loss by amounts shown below. This analyzes assumes that all other variables, in particular, foreign currency exchange rates, remain constant. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The year end balances are not necessarily representative of the average debt outstanding during the year.

Rs.	(Rs. in Lakhs)	
	Profit or loss	
	100 bp increase	100 bp increase
For the year ended March 31, 2024		
Variable-rate instruments	(194.95)	194.95
Cash flow sensitivity (net)	(194.95)	194.95
For the year ended March 31, 2023		
Variable-rate instruments	(82.29)	82.29
Cash flow sensitivity (net)	(82.29)	82.29

(Note: The impact is indicated on the profit/loss and equity before tax basis)

(D) Capital management

The objective of the Company's capital management is to ensure that it maintains an efficient capital structure and healthy capital ratios to support its business and maximize shareholder value.

The Company has equity capital and other reserves attributable to the equity shareholders, as the only source of capital and the Company has insignificant interest bearing borrowings/ debts as on the reporting date. Hence, the Company is not subject to any externally imposed capital requirements.

The objective of the Company's capital management is to ensure that it maintains an efficient capital structure and healthy capital ratios to support its business and maximize shareholder value.

The Company's capital management is driven by Company's policy to maintain a sound capital base to support the continued development of its business. The Board of Directors seeks to maintain a prudent balance between different components of the Company's capital. The Management monitors the capital structure and the net financial debt at individual currency level. Net financial debt is defined as current and non-current financial liabilities less cash and cash equivalents and short-term investments.

Notes to standalone financial statements for the year ended March 31, 2024 (Contd.)

The Company monitors capital using a ratio of 'adjusted net debt' to 'adjusted equity'. For this purpose, adjusted net debt is defined as interest-bearing borrowings, less cash and cash equivalents. Adjusted equity comprises all components of equity.

The net debt to equity ratio for the current year decreased as a result of repayment of borrowings.

(Rs. in Lakhs)		
Particulars	March 31, 2024	March 31, 2023
Non-current borrowings	-	3,077.42
Current Borrowings	-	5,151.81
Gross Debt	-	8,229.23
Less : Cash and cash equivalent	3,046.25	4,294.18
Adjusted net debt	(3,046.25)	3,935.05
Total equity	1,03,118.72	93,601.64
Adjusted equity	1,03,118.72	93,601.64
Adjusted net debt to adjusted equity ratio	-	0.04

39 Related Party Disclosures, as required by Indian Accounting Standard 24 (Ind AS 24) are given below:

A. Relationships –

Category I: Subsidiaries:

Ekopath Metropolis Lab Services Private Limited

Amin's Pathology Laboratory Private Limited (Formerly known as Metropolis Wellness Products Private Limited)

Metropolis HistoXpert Digital Services Private Limited

Centralab Healthcare Services Private Limited

Metropolis Healthcare (Mauritius) Limited

Metropolis Healthcare Lanka (Pvt) Limited (Formerly known as Nawaloka Metropolis Laboratories Private Limited, Sri Lanka)

Dr.Ganesan's Hitech Diagnostic Centre Private Limited(w.e.f. October 22, 2021)**

Step down Subsidiary companies

Metropolis Bramser Lab Services (Mtius) Limited

Metropolis Healthcare Ghana Limited

Metropolis Star Lab Kenya Limited

Metropolis Healthcare (Tanzania) Limited

Metropolis Healthcare Uganda Limited

Category II: Key Management Personnel (KMP)

Dr. Sushil Kanubhai Shah, Chairman and Executive Director

Smt Ameera Sushil Shah, Managing Director

Shri Vijender Singh, Chief Executive Officer (up to August 17, 2022)

Shri Rakesh Agarwal, Chief Financial Officer

Shri Hemant Sachdev, Non-Executive Director

Smt Simmi Singh Bisht, Company Secretary (up to January 07, 2023)

Shri Milind Shripad Sarwate, Independent Director (up to September 06, 2023)

Shri Vivek Gambhir, Independent Director

Shri Sanjay Bhatnagar, Independent Director

Smt Anita Ramachandran, Independent Director

Shri Surendran Chemmenkotil, Chief executive Officer (w.e.f January 02, 2023)

Shri Subramanian Ranganathan, Independent Director (w.e.f August 21, 2023)

Shri Kamlesh Kulkarni, Company Secretary (w.e.f February 03, 2024)

Category III: Relatives of KMP

Dr. Duru Sushil Shah

Smt Aparna Shah (Rajadhyaksha)

Notes to standalone financial statements
 for the year ended March 31, 2024 (Contd.)

Category IV: Companies in which key management personnel or their relatives have significant influence (Other related parties)

Metz Advisory LLP
 Metropolis Health Products Retail Private Limited
 Chogori Retail Private Limited
 Chogori Distribution Private Limited
 Chogori India Retail Limited
 Sushil Shah Family Trust
 Duru Shah Family Trust
 Centre for Digestive and Kidney Disease (India) Private Limited (upto August 06, 2019)
 Metropolis foundation
 ** on account of voluntary liquidation, it got merged with Metropolis Healthcare Limited

B. The transactions with the related parties are as follows:

Particulars	(Rs. in Lakhs)	
	March 31, 2024	March 31, 2023
1) Services rendered		
Subsidiaries		
Metropolis Star Lab Kenya Limited	1,251.78	672.07
Metropolis Healthcare Ghana Limited	484.32	434.70
Metropolis Bramser Lab Services (Mtius) Limited	-	-
Amin's Pathology Laboratory Private Limited	3.71	6.23
Ekopath Metropolis Lab Services Private Limited	136.30	126.15
Metropolis Healthcare (Mauritius) Limited	369.75	309.85
Metropolis Healthcare Lanka (Pvt) Limited	99.34	77.03
Metropolis Healthcare (Tanzania) Limited	158.93	60.18
Metropolis Histoxpert Digital Services Private Limited	-	-
Metropolis Healthcare Uganda Limited	110.37	19.97
Centralab Healthcare Services Private Limited	164.62	56.67
Relatives of KMP		
Dr. Duru Sushil Shah	20.64	22.60
2) Services received		
Subsidiaries		
Amin's Pathology Laboratory Private Limited	790.26	536.75
3) Purchase of Goods		
Amin's Pathology Laboratory Private Limited	-	126.68
4) Rent paid		
Key Management Personnel		
Dr. Sushil Kanubhai Shah	118.35	118.35
5) Compensation paid to Key Management Personnel		
Short-term employee benefits	1,111.60	989.49
Post employment benefit [^]	59.34	42.75
Share-based payments expense	267.84	60.49
(^ Gratuity expense is based on actuarial valuation.)		
6) Dividend income		
Subsidiaries		
Centralab Healthcare Services Private Limited	250.00	800.00
7) Dividend paid		
Key Management Personnel		
Dr Sushil Kanubhai Shah	207.79	207.79
Ameera Sushil Shah	14.55	14.55
Rakesh Kumar Agarwal	0.24	0.24
Vijender Singh	-	-

Notes to standalone financial statements
for the year ended March 31, 2024 (Contd.)

		(Rs. in Lakhs)	
Particulars	March 31, 2024	March 31, 2023	
Other related parties			
Metz Advisory LLP	1,255.30	1,255.30	
Duru Shah Family Trust	294.70	294.70	
Sushil Shah Family Trust	102.23	102.23	
Relatives of KMP			
Dr Duru Sushil Shah	163.67	163.67	
8) Director sitting fees & commission			
Shri Milind Shripad Sarwate	18.40	23.55	
Shri Vivek Gambhir	17.75	18.90	
Smt Anita Ramachandran	22.50	18.50	
Shri Subramanian Ranganathan	5.00		
Shri Sanjay Bhatnagar	18.40	14.65	
9) Professional Fees			
Relatives of KMP			
Aparna Rajadhyaksha	18.00	18.00	
10) Amount paid for CSR projects			
Other related parties			
Metropolis Foundation	-	215.56	
11) Interest expenses			
Subsidiaries			
Centralab Healthcare Services Private Limited	12.64	2.12	
12) Interest income			
Subsidiaries			
Ekopath Metropolis Lab Services Private Limited	6.00	6.00	
Metropolis Healthcare (Mauritius) Limited	39.21	59.60	
Metropolis HistoXpert Digital Services Private Limited	0.50	0.50	
Metropolis Healthcare Lanka (Pvt) Limited	1.10	1.10	
13) Investments made / (sold)			
Subsidiaries			
Centralab Healthcare Services Private Limited	-	-	
Metropolis HistoXpert Digital Services Private Limited	-	-	
14) Royalty Income			
Subsidiaries			
Metropolis Star Lab Kenya Limited	227.88	-	

Note: Transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions.

C. The related party balances outstanding at year end are as follows:

		(Rs. in Lakhs)	
Particulars	March 31, 2024	March 31, 2023	
1) (a) Trade payables			
Subsidiaries			
Amin's Pathology Laboratory Private Limited	271.90	336.81	
Other related parties			
Metropolis Health Products Retail Private Limited	1.87	1.87	

Notes to standalone financial statements
 for the year ended March 31, 2024 (Contd.)

(Rs. in Lakhs)

Particulars	March 31, 2024	March 31, 2023
(b) Other Payable		
Dr. Sushil Kanubhai Shah	19.86	19.86
Aparna Rajadhyaksha	41.99	22.50
2) Trade receivables		
Subsidiaries		
Metropolis Star Lab Kenya Limited	479.12	374.73
Metropolis Bramser Lab Services (Mtius) Limited	18.76	18.47
Metropolis Healthcare Ghana Limited	999.04	968.22
Metropolis Healthcare (Mauritius) Limited	431.86	381.51
Ekopath Metropolis Lab Services Private Limited	60.19	38.10
Metropolis Healthcare Lanka (Pvt) Limited	495.01	497.01
Metropolis Healthcare (Tanzania) Limited	272.66	137.83
Metropolis Healthcare Uganda Limited	123.81	19.97
Metropolis Histoxpert Digital Services Private Limited	35.04	24.40
Centralab Healthcare Services Private Limited	-	72.27
Relatives of KMP		
Dr. Duru Sushil Shah	2.74	3.66
3) Loans and advances given including interest accrued		
Subsidiaries		
Ekopath Metropolis Lab Services Private Limited	61.35	60.45
Metropolis Healthcare (Mauritius) Limited	244.07	1,515.16
Metropolis Histoxpert Digital Services Private Limited	6.89	6.22
Metropolis Healthcare Lanka (Pvt) Limited	70.54	73.76
Other related parties		
Metropolis Health Products Retail Private Limited	44.00	44.00
4) Loans and advances taken including interest payable		
Subsidiaries		
Centralab Healthcare Services Private Limited	94.01	326.12
5) Provision for doubtful advances		
Other related parties		
Metropolis Health Products Retail Private Limited	44.00	44.00

The details of Loans as required by Schedule V of SEBI (LODR, 2015) are given in the table below:

(Rs. in Lakhs)

Name of the Company	March 31, 2024		March 31, 2023	
	Outstanding Balance	Max. amount outstanding during the year	Outstanding Balance	Max. amount outstanding during the year
Subsidiaries & Others				
Metropolis Healthcare (Mauritius) Limited	219.51	1,012.63	1,012.63	1,012.63
Ekopath Metropolis Lab Services Private Limited	60.00	60.00	60.00	60.00
Metropolis Histoxpert Digital Services Private Limited	5.00	5.00	5.00	5.00
Metropolis Healthcare Lanka (Pvt) Limited	14.17	14.17	13.96	13.96

Notes to standalone financial statements for the year ended March 31, 2024 (Contd.)

40 Commitments

(Rs. in Lakhs)

Capital commitments:	March 31, 2024	March 31, 2023
Estimated amount of contracts remaining to be executed on capital account not provided for	542.02	280.06

Other commitments:

The Company has entered into reagent agreement for a period ranging from 3 to 6 years with some of its major raw material suppliers to purchase agreed value of raw materials.

The value of purchase commitments for the remaining number of years are Rs. 28,906.73 Lakhs (March 31, 2023 Rs. 26,295.23 Lakhs) of which annual commitment for next year is Rs. 7,026.93 Lakhs (March 31, 2023 Rs. 6,871.92 Lakhs) as per the terms of these arrangements.

41 Contingent liabilities not provided for

(Rs. in Lakhs)

	March 31, 2024	March 31, 2023
Claims against the Company not acknowledged as debt		
- Claims by suppliers/contractors /others*	11.94	16.64
- Claims pending in Consumer Dispute Redressal Forum	387.80	123.44
Total	399.74	140.08

*The Company has settled cases CP IB No. 4334 of 2019 & 4366 of 2019 in 2022-23

Note: The Company has received assessment orders under section 143(3) / 147 of the Income-Tax Act, 1961, ("Act") passed by the Office of the Assistant Commissioner of Income Tax, Mumbai, Income Tax Department ("ACIT") ("Order") for 10 years from AY 2014-15 to AY 2023-24. The total demand raised is Rs 7,307 Lakhs. The Company has made an application for rectification in March 24, and the demand will stand approximately at Rs 3,917 Lakhs. The Company has filed appeals before the Commissioner of Income Tax (Appeals) for all the AYs except for AY 2021-22 and AY 2023-24 where Orders are yet to be reflected on the Income Tax Portal. Based on the advice of the learned counsel, we believe that the said orders will not have any material financial impact as there is merit in the principles applied by the Company. Over the years, the Company had provided Rs 1,964 Lakhs in its accounts, against this probable liability.

42 Payment to auditors

(Rs. in Lakhs)

	March 31, 2024	March 31, 2023
Statutory Audit (Including Limited Review) fees	98.00	98.00
Certification Fees	9.49	9.49
Others (including reimbursement of out of pocket expenses)	23.51	36.44
Total	131.00	143.93

43 Disclosure under Ind-As 116 Leases

1 The following is the summary of practical expedients elected on application:

- i Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date
- ii Applied the exemption not to recognize right-of-use assets and liabilities for leases :
 - a. with less than 12 months of lease term on the date of initial application
 - b. Outflow of less than Rs. 5 Lakhs in entire tenure of arrangement
- iii Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.
- iv Applied the practical expedient to grandfather the assessment of which transactions are leases on date of transition. Accordingly, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.

**Notes to standalone financial statements
 for the year ended March 31, 2024 (Contd.)**

- The effect of amortization and interest related to Right Of Use Asset and Lease Liability are reflected in the Statement of Profit and Loss under the heading "Depreciation and Amortisation Expense" and "Finance costs" respectively under Notes 34 and 33
- The incremental borrowing rate applied to lease liabilities for 2023-24 is 9.2% -10.10% based on tenure of arrangement
- Following are the changes in the carrying value of right of use assets for the year ended March 31, 2024:

(Rs. in Lakhs)

Particulars	Category of ROU					Total
	Office Space	Patient Service Center	Lab	HUB	Re-agent Equipment	
Balance as of April 01, 2022	1,229.19	1,833.87	2,344.08	76.07	5,336.41	10,819.62
Additions	1,769.50	4,538.50	3,007.82	-	1,926.14	11,241.96
Deletion	-	-	(111.05)	-	-	(111.05)
Amortisation	(492.84)	(1,531.51)	(1,006.37)	(67.09)	(1,671.14)	(4,768.95)
Balance as of March 31,, 2023	2,505.85	4,840.86	4,234.48	8.98	5,591.41	17,181.57
Additions	2,156.66	2,540.49	569.41	23.19	1,433.58	6,723.34
Deletion	-	-	-	-	-	-
Amortisation	(993.85)	(1,755.58)	(1,343.46)	(7.87)	(1,991.25)	(6,092.01)
Balance as of March 31, 2024	3,668.66	5,625.77	3,460.43	24.30	5,033.74	17,812.90

- The following is the break-up of current and non-current lease liabilities as of March 31, 2024:

(Rs. in Lakhs)

Particulars	March 31, 2024	March 31, 2023
Current Lease liabilities	7,697.48	6,154.04
Non-current lease liabilities	11,797.87	12,411.40
Total	19,495.35	18,565.44

- The following is the movement in lease liabilities for the years ended March 31, 2024 and March 31, 2023:

(Rs. in Lakhs)

Particulars	Amount
Balance as of April 01, 2022	11,858.10
Additions	11,241.96
Deletion	(127.92)
Finance cost accrued during the period	1,638.42
Payment of lease liabilities	(6,045.13)
Balance as of March 31, 2023	18,565.44
Additions	6,723.33
Deletion	-
Finance cost accrued during the period	1,833.36
Payment of lease liabilities	(7,626.78)
Balance as of March 31, 2024	19,495.35

- The table below provides details regarding the contractual maturities of lease liabilities as of March 31, 2024 on an undiscounted basis:

(Rs. in Lakhs)

Particulars	March 31, 2024	March 31, 2023
Less than one year	7,697.48	6,154.04
One to five years	14,845.62	14,200.44
More than 5 years	1,010.89	2,179.95
Total	23,553.99	22,534.43

Notes to standalone financial statements
for the year ended March 31, 2024 (Contd.)

7 Impact of adoption of Ind AS 116 for the year ended March 31, 2024 is as follows:

(Rs. in Lakhs)

Particulars	March 31, 2024	March 31, 2023
Decrease in Other expenses by	7,626.78	6,045.13
Increase in Finance cost by	1,833.36	1,638.42
Increase in Depreciation by (excludes depreciation on reclassified assets)	6,092.01	4,768.95
Net decrease in profit	(298.59)	(362.24)

8 The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

9 Rental expense recorded for short-term leases / Variable rent was Rs 9,619.90 Lakhs (March 31, 2023 Rs 9,013.55 Lakhs) for the year ended March 31, 2024.

10 The total cash outflow for leases for year ended March 31, 2024 is Rs 7,626.78 Lakhs (March 31, 2023 Rs 6,045.13 Lakhs)

44(a) Disclosure as per Ind AS 115 - Revenue from contracts with customers

The Company generates its entire revenue from contracts with customers for the services at a point in time. The Company is engaged mainly in the business of running laboratories for carrying out pathological investigations of various branches of bio-chemistry, hematology, histopathology, microbiology, electrophoresis, immuno-chemistry, immunology, virology, cytology, other pathological and radiological investigations

(Rs. in Lakhs)

Particulars	March 31, 2024	March 31, 2023
Contract asset- unbilled revenue	-	-
Contract liabilities (Advance from Customer)	-	-
Opening balance	1,465.80	1,710.90
Movement during the Year	51.98	(245.10)
Closing balance	1,517.78	1,465.80

44(b) Reconciliation of revenue from contracts with customers

(Rs. in Lakhs)

Particulars	March 31, 2024	March 31, 2023
Revenue from contract with customers as per contract price	1,12,312.22	1,07,901.00
Adjustments made to contract price on account of Discount/ Rebates	1,969.68	1,296.93
Revenue from contract with customers	1,10,342.54	1,06,604.07
Other Operating Revenue	-	-
Revenue from Operations	1,10,342.54	1,06,604.07

The Company has no customer which accounts for 10% or more of the total trade receivables as at March 31, 2024 (March 31, 2023: Nil).

45 Dues to micro and small enterprises - As per Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED' Act).

This information has been determined to the extent such parties have been identified on the basis of information available with the Company

(Rs. in Lakhs)

	March 31, 2024	March 31, 2023
a. Principal amount remaining unpaid to any supplier as at the year end	26.24	176.58
Interest due thereon:		
b. Amount of Interest paid during the year	-	-

**Notes to standalone financial statements
 for the year ended March 31, 2024 (Contd.)**

(Rs. in Lakhs)

	March 31, 2024	March 31, 2023
c. Amount of payments made to the supplier beyond the appointed day during the accounting year.	-	-
d. Amount of Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act,2006)	-	-
e. Amount of Interest accrued and remaining unpaid at the end of the accounting year.	-	0.27
f. The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under the MSMED Act 2006	-	-

46 Employee benefits
(a) Defined benefits plan

The Company has gratuity as defined benefit retirement plan for its employees. Funded plan includes gratuity benefit to every employee who has completed service of five years or more, at 15 days salary for each completed year of service (on last drawn basic salary) in accordance with Payment of Gratuity Act, 1972. The scheme is funded with insurance company in the form of qualifying insurance policies

These plan typically expose the Company to actuarial risk such as: Investment risk, interest rate risk, longevity risk and salary risk.

Investment Risk	The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.
Interest Risk	A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.
Longevity Risk	Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.
Salary Risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

(Rs. in Lakhs)

	March 31, 2024	March 31, 2023
A. Amount recognized in the balance sheet		
Present value of the obligation as at the end of the year	2,690.84	2,331.72
Fair value of plan assets as at the end of the year	(130.65)	(120.74)
Net liability recognized in the balance sheet	2,560.19	2,210.98
Out of which,		
Non-current portion	1,551.63	1,281.13
Current portion	1,008.56	1,008.56
B. Change in projected benefit obligation		
Projected benefit obligation at the beginning of the year	2,331.72	2,117.32
Current service cost	240.00	223.30
Past service cost	-	-
Interest cost	166.22	108.62
Actuarial loss	223.32	225.65
Benefits paid	(265.92)	(343.17)

Notes to standalone financial statements
for the year ended March 31, 2024 (Contd.)

	(Rs. in Lakhs)	
	March 31, 2024	March 31, 2023
Liability Transferred In/ Acquisitions	-	-
Liability Transferred Out/ Divestments	(4.50)	-
Projected benefit obligation at the end of the year	2,690.84	2,331.72
C. Change in plan assets		
Fair value of plan assets at the beginning of the year	120.74	122.61
Interest income	7.03	0.89
Assets Transferred In/Acquisitions	-	-
Return on Plan Assets, Excluding Interest Income	2.88	6.76
Benefits paid	-	(9.52)
Fair value of plan assets at the end of the year	130.65	120.74
D. Amount recognized in the statement of profit and loss		
Current service cost	240.00	223.30
Interest cost	159.19	107.73
Expenses recognized in the statement of profit and loss	399.19	331.03
E. Amount recognized in other comprehensive income		
Actuarial (gain)/loss on Defined benefit obligation	223.32	225.65
Due to Change in Demographic Assumptions	-	-
Due to Change in Financial Assumptions	3.15	(99.65)
Due to Experience	220.17	325.20
Actuarial gain/loss on Plan assets	(2.88)	(6.76)
Total	220.44	218.89

F. The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

	(Rs. in Lakhs)	
Gratuity	March 31, 2024	March 31, 2023
Investments with insurer (Life Insurance Corporation Limited)	100%	100%

G. Assumptions used

	(Rs. in Lakhs)	
Particulars	March 31, 2024	March 31, 2023
Discount rate	7.14%	7.20%
Long-term rate of compensation increase	5.00% p.a.	5.00% p.a.
Rate of return on plan assets	7.14%	7.20%
Attrition rate	31.00% p.a. for all service groups	31.00% p.a. for all service groups
Mortality Rate	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)

H. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

	(Rs. in Lakhs)			
Particulars	March 31, 2024		March 31, 2023	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(51.09)	54.02	(44.59)	47.15
Future salary growth (1% movement)	53.81	(51.97)	47.13	(45.50)
Employee Turnover (1% movement)	(3.34)	3.19	(3.25)	3.12

**Notes to standalone financial statements
 for the year ended March 31, 2024 (Contd.)**
I. Expected future cash flows

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

(Rs. in Lakhs)

Particulars	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
March 31, 2024					
Defined benefit obligations (Gratuity)	865.38	604.07	1,068.48	620.56	3,158.49
Total	865.38	604.07	1,068.48	620.56	3,158.49

(Rs. in Lakhs)

Particulars	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
March 31, 2023					
Defined benefit obligations (Gratuity)	732.26	523.16	944.10	550.24	2,749.75
Total	732.26	523.16	944.10	550.24	2,749.75

(b) Defined contribution plan

The Company contributes towards statutory provident fund as per the Employees Provident Funds and Miscellaneous Provisions Act, 1952 and towards employee state insurance as per the Employees' State Insurance Act, 1948. The amount of contribution to provident fund and Employee State Insurance Scheme recognized as expenses during the year is Rs. 1,484.99 Lakhs (March 31, 2023 Rs. 1,391.78 Lakhs).

(c) Employee Stock Option Schemes

Description of share-based payment arrangements:

As at March 31, 2024 and March 31, 2023 Company had following share-based payment arrangements:

RSU 2020 -

This plan may be called the Metropolis–Restrictive Stock Unit Plan, 2020 (MHL-RSU Plan, 2020) as approved by the Board of Directors of the Company at its meeting held on February 06, 2020 as per the recommendation of Nomination and Remuneration Committee and approved by members of the Company through postal ballot process on April 06, 2020. This plan shall be deemed to have come into force on April 06, 2020 (Being the date of passing of special resolutions for approving the MHL-RSU Plan 2020 by the Shareholder of the Company through postal ballot process) or on such date as may be decided by the Nomination and Remuneration Committee ("Committee") of the Company.

MESOS 2015 -

The Company has instituted "Metropolis Employee Stock Option Plan 2015 "(MESOP 2015) for eligible employees. In terms of the said plan, options to the employees shall vest at the rate of 30% of Grant on 36 months from Grant Date, 35% of Grant on 48 months from Grant Date and 35% of Grant on 60 months from Grant Date. The vested options can be exercised on earlier of Listing of Company Shares on an Indian Stock Exchange or 60 month from the date of the grant. Further option can only be exercised during the exercise window specified by the Company. Each Option carries with it the right to purchase one equity share of the Company at the exercise price determined by Nomination and Remuneration Committee.

On September 19, 2017, consent was given by the Nomination and Remuneration Committee, where in vesting schedule was modified to grant options under Metropolis Employee Stock Options Scheme, 2015 (MESOS 2015). As per modified terms, option to

- Existing employees (person who is in continuous employment with the Company since 1 January, 2016 or prior thereto) shall vest at the rate of 50% of Grant on 1 January 2018, 25% of Grant on 1 January 2019 and 25% of Grant on 1 January 2020.
- New employees (person who is in continuous employment with the Company after 01 January, 2016.) shall vest at the rate of 50% of Grant on completion of 2 years from date of joining, 25% of Grant on completion of 3 years from date of joining and 25% of Grant on completion of 4 years from date of joining.

Notes to standalone financial statements for the year ended March 31, 2024 (Contd.)

- No additional options to be granted under MESOS 2015 as per the resolution dated 24 September 2018, passed by the Nomination & Remuneration Committee

Grant date / employees entitled	Number of instruments	Vesting conditions	Contractual life of options
RSU - Option granted to eligible employees on May 2020	3,70,000	For the Options to vest, the Grantee has to meet the performance parameters & be in employment of the Metropolis Group on the date of the vesting.	The exercise period for RSU vested will be two years from date of vesting .
MESOS 2015 - Option granted to eligible employees on April 25, 2016	27,800	For the Options to vest, the Grantee has to be in employment of the Metropolis Group on the date of the vesting.	The exercise period for Options vested will begin on earlier of (a) Listing of Company shares on an Indian Stock Exchange or (b) during the exercise window to be specified individually by Nomination and Remuneration Committee of the Company.
MESOS 2015 - Option granted to eligible employees on October 16, 2017	1,85,550	For the Options to vest, the Grantee has to be in employment of the Metropolis Group on the date of the vesting.	The exercise period for Options vested will begin on earlier of (a) Listing of Company shares on an Indian Stock Exchange or (b) during the exercise window to be specified individually by Nomination and Remuneration Committee of the Company.

Reconciliation of Outstanding share options

The number and weighted-average exercise price of share options under the share share option plans are as follows:

RSU 2020

(Rs. in Lakhs)

Particulars	March 31, 2024		March 31, 2023	
	Weighted average exercise price	Number of RSU	Weighted average exercise price	Number of RSU
Outstanding at the beginning	2	1,40,671	2	2,27,094
Granted during the year	2	77,666	2	1,02,650
Exercised during the year #	2	16,197	2	36,045
Lapsed/ forfeited /surrender/buyback	2	28,608	2	1,53,028
Outstanding at the end	2	1,73,532	2	1,40,671
Exercisable at the end	2	-	2	-

Summary of Shares/Option exercised during the year

Particular	Number of shares / Options	Amount
Securities Premium (Exercise price (2.00) less Face value per share (2.00))	-	-
General Reserve (Fair Value - Nil per Option)	-	-
Equity Shares (Face value Rs. 2 per share)	16,197	0.32

Notes to standalone financial statements
 for the year ended March 31, 2024 (Contd.)

MESOS 2015

(Rs. in Lakhs)

Particulars	March 31, 2024		March 31, 2023	
	Weighted average exercise price	Number of Shares	Weighted average exercise price	Number of Shares
Outstanding at the beginning	705.77	2,500	705.77	5,000
Granted during the year	-	-	-	-
Granted due to bonus issue	-	-	-	-
Granted due to split of shares	-	-	-	-
Exercised during the year #	-	-	705.77	2,500
Lapsed/ forfeited /surrendered	-	-	-	-
Outstanding at the end	705.77	2,500	705.77	2,500

The options outstanding at March 31, 2024 have an exercise price of Rs. 705.77 (March 31, 2023 have an exercise price of Rs. 705.77) and a weighted average remaining contractual life of 6 months to 1 year (March 31, 2023: 6 months to 2 years)

The expense arising from MESOS 2015 scheme during the year is Rs. Nil (March 31, 2023 Rs.6.98 Lakhs);

The expense arising from RSU 2020 scheme during the year is Rs. 141.64 Lakhs (March 31, 2023 Rs. 21.53 Lakhs);

Summary of Shares/Option exercised during the year

Particular	Number of shares / Options	Amount
Securities Premium (Exercise price (705.77) less Face value per share (2.00))	-	-
General Reserve (Fair Value - Nil per Option)	-	-
Equity Shares (Face value Rs. 2 per share)	-	-

Measurement of Fair value

The fair value of employee share options has been measured at fair value of prevailing market value. The fair value of the options and the inputs used in the measurement of the grant date fair values of the equity settled share based payment plans are as follows:

	MESOS 2015		RSU 2020
	October 16, 2017	April 25, 2016	29 May 2020
Fair value at grant date	142.80	66.00	Year 1 - 1,280.47 Year 2 - 1,267.36 Year 3 - 1,254.82 Year 4 - 1,242.37
Share price at grant date	2,910.00	2,289.00	1,321.00
Exercise price	3,670.00	3,670.00	2
Expected volatility (Weighted average volatility)	16.04%	16.70%	Year 1 - 46.31% Year 2 - 61.61% Year 3 - 63.76% Year 4 - 63.76%
Expected life (expected weighted average life)	1.64 years	4.05 years	Year 1 - 3 years Year 2 - 4 years Year 3 - 5 years Year 4 - 6 years
Expected dividends	3%	3%	0.01
Risk-free interest rates (Based on government bonds)	6.35%	7.42%	Year 1 - 4.56% Year 2 - 4.69% Year 3 - 5.42% Year 4 - 5.6%

Notes to standalone financial statements for the year ended March 31, 2024 (Contd.)

- Expected volatility of the option is based on historical volatility, during a period equivalent to the option life
- Dividend yield of the options is based on recent dividend activity
- Risk-free interest rates are based on the government securities yield in effect at the time of the grant.

(d) Compensatory absences:

The Company follows period of January to December period for accrual of leaves. As per policy accumulation of Privileged and casual leave is not allowed. Privileged leaves are encashed at the end of December, however, casual leaves get lapsed at the end of December.

47 Segment Reporting

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the chief operating decision maker, in deciding how to allocate resources and assessing performance. The Company's chief operating decision maker is the Managing Director and CEO of the Company.

Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Inter segment revenue is accounted on the basis of transactions which are primarily determined based on market / fair value factors. Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on a reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities".

Based on the nature of the business and line of products/ services, there is only one reportable segment - Pathology service.

48 Corporate social responsibility (CSR)

(Rs. in Lakhs)

Particulars	March 31, 2024	March 31, 2023
i) Amount required to be spent by the Company during the year (amount approved by board to be spent during the year)	506.56	513.83
ii) Amount of expenditure incurred		
A) Construction/ acquisition of any asset	-	-
B) On other than (A) above	506.56	513.83
iii) Shortfall at the end of the year	-	-
iv) Total of previous year shortfall	-	-
v) Reasons for shortfall		
vi) Nature of CSR activities	Promoting healthcare and education	
vii) Details of related party transaction	Metropolis Foundation : Rs. Nil (Rs. 215.56 Lakhs)	

49 (a) Disclosure under section 186 (4) of the Companies Act, 2013

All the loans given by the Company to its subsidiary companies are under section 293 of the Companies Act, 1956, accordingly, section 186 of the Companies Act, 2013 is not applicable to the Company.

(Rs. in Lakhs)

Name of the Companies	Purpose for which the loan is proposed to be utilised	Interest rate (in %)	Balance as at		Movement during the year	
			March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Subsidiaries						
Ekopath Metropolis Lab Services Private Limited	Working Capital	10% p.a. (March 31, 2023: 10% p.a.)	60.00	60.00	-	-
Metropolis Healthcare Lanka (Pvt) Limited	Working Capital	10% p.a. (March 31, 2023: 10% p.a.)	14.17	13.96	0.22	1.07
Metropolis Healthcare (Mauritius) Limited	Working Capital	6% p.a. (March 31, 2023: 6% p.a.)	219.51	1,012.63	(793.12)	77.61
Metropolis Histoexpert Digital services Private Limited	Working Capital	10% p.a. (March 31, 2023: 10% p.a.)	5.00	5.00	-	5.00
Total			298.68	1,091.59	(792.91)	83.68

Notes to standalone financial statements for the year ended March 31, 2024 (Contd.)

(b) Deferred payment consideration

During the earlier years, the Company has entered into a business purchase agreement to acquire Sanjeevani Pathology Laboratory located at Rajkot for an initial purchase consideration of Rs 4,104.00 Lakhs, an amount of Rs 2,300.00 Lakhs is to be paid by the Company to Dr. Kiritkumar Patel, owner of Sanjeevani Pathology Laboratory in 7 tranches starting from February 2017 to March 2021.

In case of investment in Dr. Patel Metropolis Healthcare Private Limited during year ended March 31, 2019, out of total consideration of Rs 868.92 Lakhs, an amount of Rs. 100 Lakhs is to be paid by Company in 2 tranches (Rs. 80 Lakhs to be paid on September 14, 2021 and remaining Rs. 20 Lakhs to be paid on September 14, 2023).

The deferred consideration of Rs. 100 Lakhs has been measured at fair value (Rs. 80.40 Lakhs) on initial recognition and the difference of Rs. 19.60 Lakhs will be recognized as finance cost on EIR basis over the payment tenure; During year ended March 31, 2024 Rs. 0.33 Lakhs (March 31, 2023 Rs 1.25 Lakhs) charged to statement of profit and loss (refer note 33).

During the 2019-20, Desai Metropolis health Services Private Limited a subsidiary of the Company has entered into a business purchase agreement to acquire Four Laboratories (Yash Lab, Nagar lab, Doctor Lab and Iyer Lab) located at Surat for an initial purchase consideration of Rs 1,800.00 Lakhs. The amount of Rs 1,800.00 Lakhs is to be paid by the Desai Metropolis health Services Private Limited to the owners of these laboratories in 6 tranches starting from September 2019 to September 2024.

The deferred consideration of Rs. 1,800 Lakhs has been measured at fair value (Rs. 1,668.11 Lakhs) on initial recognition and the difference of Rs. 131.89 Lakhs will be recognized as finance cost on EIR basis over the payment tenure; During year ended March 31, 2024 Rs 5.28 Lakhs (March 31, 2023 Rs 8.67 Lakhs) charged to statement of profit and loss (refer note 33).

Summarised Details of Deferred Purchase Consideration

(Rs. in Lakhs)

Particulars	31-03-2024		31-03-2023	
	Finance Cost	Closing Fair value	Finance Cost	Closing Fair value
Sanjeevani Pathology Laboratory	-	100.00	-	100.00
Dr. Patel Metropolis Healthcare Private	0.33	-	1.25	19.54
Desai Metropolis health Services Private Limited - Four Laboratories (Yash Lab, Nagar lab, Doctor Lab and Iyer Lab)	5.28	37.99	8.67	77.84
Total	5.61	137.99	9.92	197.38

50 Investment and receivable from Star Metropolis Health Services Middle East LLC, Dubai

As at March 31, 2024, the Company has an investment of Rs. 129.85 Lakhs (March 31, 2023 Rs. 129.85 Lakhs) and receivable of Rs. 445.05 Lakhs (March 31, 2023 Rs. 445.05 Lakhs) from Star Metropolis Health Services Middle East LLC ('Star Metropolis'). Since the information has not been forthcoming for many years, Management has decided to discontinued to recognize the said entity as an associate from the previous year and has filed an application to Reserve Bank of India (RBI) through Authorised Dealer Bank seeking permission to write off the above investment and receivable. However during the year, The Board of Directors of the Company has accorded their approval for entering into a Settlement agreement with the equity shareholder(s) of Star Metropolis Health Services Middle East LLC – Dubai, associate of the Company ('the Associate') inter-alia to enable liquidation of the Associate as per the applicable laws.

51 Transfer Pricing

The Company management is of the opinion that its international and domestic transactions are at arm's length as per the independent firms report for the year ended March 31, 2023. Management continues to believe that its international transactions post March 31, 2023 and the specified domestic transactions are at arm's length and that the transfer pricing legislation will not have any impact on these financial statements, particularly on amount of tax expense and that of provision of taxation.

Notes to standalone financial statements for the year ended March 31, 2024 (Contd.)

52 Shareholding In The Subsidiary Company :

Metropolis Healthcare Lanka Private Limited (Metropolis Lanka) has bought back 250,000 ordinary shares held by Nawaloka Hospitals PLC ("Nawaloka") in Metropolis Lanka pursuant to memorandum of understanding (MOU) dated March 31, 2017. As per the MOU, the buy-back consideration payable by Metropolis Lanka was adjusted against certain receivables payable by Nawaloka to Metropolis Lanka. As at March 31, 2020, Metropolis Lanka has not filed relevant forms with Registrar of the Company in respect of share transfer. Currently, the shareholding records in the books of Metropolis Lanka assumes that the buy-back has been effectuated as per the MOU and Metropolis Healthcare Limited is reflected as 100% owner of Metropolis Lanka.

53 Disclosure of Transactions with Struck off companies

The Company did not have any material transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the financial year.

54 No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

55 The total amount receivable from the contract of Aam Aadmi Mohalla Clinic was Rs 384 Lakhs, the Company has received Rs 131 Lakhs (including TDS) out of that and the balance Rs 253 Lakhs has been fully provided over the period of the contract period i.e Feb 2023 to March 31, 2024.

56 As at March 31, 2024, there are certain proceeds from exporting diagnostic services to its overseas subsidiaries and certain other customers that have not been repatriated back into India within the stipulated timeframe as prescribed by the Reserve Bank of India (RBI) Master Direction on reporting and realization of export proceeds, including due to circumstances beyond the Company's control. The Company has duly applied to its Authorised Dealer (AD) bank for an extension of time period to repatriate the outstanding export proceeds. The Company is actively engaged with the AD bank to ensure compliance with RBI regulations and to facilitate the repatriation of the export proceeds at the earliest. The Company does not consider any material impact in respect of the above on the financial position or performance of the Company.

57 Subsequent event

On April 18, 2024 the National Company Law Tribunal, Chennai Bench ("NCLT") has approved the dissolution of Dr.Ganesan's Hitech Diagnostic Centre Private Limited ("Hitech", a wholly owned subsidiary of the Company) vide its order. Pursuant to the Scheme becoming effective, Hitech ceased to be the subsidiary of the Company and gets merged with the Company. The entire business of Hitech was distributed to the Company on a going concern basis on and with effect from 4 June 2022.

58 Business Combination

A Acquisition and Liquidation of Dr.Ganesan's Hitech Diagnostic Centre Private Limited

- a) On October 22, 2021, the Company acquired 100% stake in Dr.Ganesan's Hitech Diagnostic Centre Private Limited ("Hitech") and its wholly owned subsidiary Centralab Healthcare Services Private Limited ("Centralab") for a cash consideration of Rs. 63,142 (Lakhs) as per the terms and conditions of the Share Purchase Agreement including amendments thereof entered between the Company and Hitech. Post completion of the aforesaid acquisition, "Hitech" and "Centralab" has become wholly owned subsidiary and step down subsidiary respectively of the Company.
- b) The Board of Directors of the Company, at their meeting held on February 11, 2022, accorded in-principle approval for the voluntary liquidation of Dr. Ganesan's Hitech Diagnostic Centre Private Limited ('Hitech'), a wholly owned subsidiary of the Company, to be carried out under the provisions of Insolvency and Bankruptcy Code, 2016. The Board of Directors of Hitech in their meeting dated April 01, 2022 and the members of Hitech in their Extra Ordinary

**Notes to standalone financial statements
 for the year ended March 31, 2024 (Contd.)**

General meeting held on April 01, 2022 had accorded their approval for consolidation of the business of Hitech through voluntary liquidation process. Pursuant to the ongoing liquidation process, the liquidator of Hitech has transferred the entire business undertaking to the Company on a going concern basis on and with effect from 04 June 2022.

- c) Accordingly, the Company gave effect of the liquidation as per the requirements of Appendix C to Ind AS 103 "Business Combination", to as if it had occurred from the beginning of the preceding period, being the date of acquisition (i.e. October 22, 2021) and accordingly preceding period figures (i.e March 31, 2022) have been revised.
- d) Accounting treatment
- i. The Company has recorded all the assets, liabilities and reserves of the Hitech, at their carrying values and in the same form as appearing in the consolidated financial statement of the Company as on the Appointed Date, by applying the principles as set out in Appendix C of IND AS 103 'Business Combinations' read with ITFG Bulletin 9; Issue 2 ; Situation B and prescribed under Companies (Indian Accounting Standards) Rules, 2015 issued by the Institute of Chartered Accountants of India.
 - ii. The financial statements of the Company reflect the financial position on the basis of consistent accounting policies.
 - iii. Any loans, advances or other obligations (including but not limited to any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form) that were due between the Company and Hitech, if any, ipso facto, stood discharged and came to end and the same was eliminated by giving appropriate elimination effect in the books of account and records of the Transferee Company.
 - iv. Investments in shares of the Hitech held by the Company were adjusted against Share Capital of the Hitech and the difference, between cost of investment of the Hitech in the books of the Company was adjusted against balance of reserves and surplus of the Company post-liquidation.
 - v. The identity of the reserves was preserved and appear in the financial statements of the Company in the same form in which they appeared in the financial statements of the Hitech.
- e) Details of net assets acquired:
- The values of identifiable assets acquired as at the date of acquisition were:

(Rs. in Lakhs)	
Particulars	Amount
Tangible Asset	
Net Working Capital	(228.00)
Property, Plant and Equipment	1,105.00
Right-of-Use Assets	766.00
Total Tangible Asset (A)	1,643.00
Identified Intangibles Assets	
Hitech Brand	29,387.00
Non-compete agreement	2,936.00
Total Intangibles Assets (B)	32,323.00
Total (C)=(A)+(B)	33,966.00
Purchase Consideration (D)	60,625.00
Other Adjustments (E)	(454.00)
Goodwill (F)=(D)-(C)-(E)	27,113.00

- Net Working Capital comprises current assets (trade receivables, inventory, security deposits, prepaid rent and other current assets) and current liabilities (trade payables, and other current liabilities), realizable/ payable in short to medium term
- Other Adjustments include surplus assets, lease liabilities, debt-like items, deferred tax assets as per acquisition date consolidated balance sheet of Dr.Ganesan's Hitech Diagnostic Centre Private Limited ("Hitech").

Notes to standalone financial statements for the year ended March 31, 2024 (Contd.)

B Liquidation of Dr.Ganesan's Hitech Diagnostic Centre Private Limited

The Board of Directors of the Company, at their meeting held on February 11, 2022, accorded in-principle approval for the voluntary liquidation of Dr. Ganesan's Hitech Diagnostic Centre Private Limited ("Hitech"), a wholly owned subsidiary of the Company, to be carried out under the provisions of Insolvency and Bankruptcy Code, 2016. The Board of Directors of Hitech in their meeting dated April 01, 2022 and the members of Hitech in their Extra Ordinary General meeting held on April 01, 2022 have accorded their approval for consolidation of the business of Hitech through voluntary liquidation process. Pursuant to the ongoing liquidation process, the liquidator of Hitech has transferred the entire business undertaking to the Company on a going concern basis on and with effect from 04 June 2022. On April 18, 2024 the National Company Law Tribunal, Chennai Bench ("NCLT") has approved the dissolution of Dr.Ganesan's Hitech Diagnostic Centre Private Limited ("Hitech", a wholly owned subsidiary of the Company) vide its order. Pursuant to the Scheme becoming effective, Hitech ceased to be the subsidiary of the Company and gets merged with the Company. The entire business of Hitech was distributed to the Company on a going concern basis on and with effect from June 04, 2022.

59 Accounting ratios

(Rs. in Lakhs)

Ratio	Numerator	Denominator	March 31, 2024	March 31, 2023	% change	Reason for variance
Current ratio (in times)	Current Assets	Current Liabilities	1.21	1.05	15.45%	-
Debt- Equity Ratio (in times)	Total Debt	Shareholder's Equity	NA	0.09	NA	-
Debt Service Coverage ratio (in times)	Earnings available for debt service = Net profit after taxes + Non-cash operating expenses	Total debt service = Interest & Lease Payments + Principal Repayments	1.28	3.24	-60.50%	Refer Note-1
Return on Equity ratio (in %)	Net Profits after taxes – Preferred Dividend	Average Shareholder's Equity	0.12	0.16	-23.34%	-
Inventory Turnover ratio (in times)	Cost of goods sold	Average Inventory	6.13	5.47	12.07%	-
Trade Receivable Turnover Ratio (in times)	Net credit sales	Average Trade Receivable	8.61	8.00	7.69%	-
Trade Payable Turnover Ratio (in times)	Net credit purchases	Average Trade Payables	2.57	1.00	157.00%	Refer Note-2
Net Capital Turnover Ratio (in times)	Net credit sales	Working capital	23.37	87.62	-73.33%	Refer Note-3
Net Profit ratio (in %)	Net Profit	Net sales	10.60%	13.03%	-18.67%	-
Return on Capital Employed (in %)	Earnings before interest and taxes	Capital Employed	17.37%	20.72%	-16.17%	-
Return on Investment (in %)	Interest (Finance Income)	Investment	6.54%	7.68%	-14.84%	-

Definitions:

- Earning available for debt service = Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.
- Debt service = Interest & Lease Payments + Principal Repayments
- Average inventory = (Opening inventory balance + Closing inventory balance) / 2
- Net credit sales = Net credit sales consist of gross credit sales minus sales return
- Average trade receivables = (Opening trade receivables balance + Closing trade receivables balance) / 2
- Net credit purchases = Net credit purchases consist of gross credit purchases minus purchase return
- Average trade payables = (Opening trade payables balance + Closing trade payables balance) / 2
- Working capital = Current assets - Current liabilities.

**Notes to standalone financial statements
for the year ended March 31, 2024 (Contd.)**

- (i) Earning before interest and taxes = Profit before exceptional items and tax + Finance costs - Other Income
(j) Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability

Note:

1. Due to repayment and prepayment of loans taken for acquisition of Hitech business in Earlier years.
2. Mainly due to increase in Favourable payable terms from the creditors for payment due date
3. Variance is due to early repayment of term loan resulting positive working capital

60 No transactions to report against the following disclosure requirements as notified by MCA pursuant to amended Schedule III:

- (a) Crypto Currency or Virtual Currency
- (b) Benami Property held under Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder
- (c) Registration of charges or satisfaction with Registrar of Companies
- (d) Relating to borrowed funds:
 - i. Wilful defaulter
 - ii. Utilisation of borrowed funds and securities premium
 - iii. Borrowings obtained on the basis of security of current assets
 - iv. Discrepancy in utilisation of borrowings
 - v. Current maturity of long term borrowings
- (e) Number of layers of companies as prescribed under clause section 87(2) of the Companies Act, 2013

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Rajesh Mehra
Partner
Membership No: 103145

Place : Mumbai
Date: May 21, 2024

For and on behalf of the Board of Directors
Metropolis Healthcare Limited
L73100MH2000PLC192798

Dr. Sushil Shah
Chairman & Executive Director
DIN: 00179918
Place : Mumbai

Surendran Chemmenkotil
Chief Executive Officer
Place : Mumbai

Subramanian Ranganathan
Independent Director
DIN:00125493
Place : Mumbai

Ameera Shah
Managing Director
DIN: 00208095
Place : Mumbai

Rakesh Agarwal
Chief Financial Officer

Kamlesh Kulkarni
Company Secretary
Place: Mumbai

Independent Auditor's Report

To the Members of Metropolis Healthcare Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Metropolis Healthcare Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated balance sheet as at 31 March 2024, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements of such subsidiaries as were audited by the other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2024, of its consolidated profit and other comprehensive loss, consolidated changes

[Key audit matter 2]

Impairment assessment of Goodwill and Indefinite life intangible asset

See Note 4 to consolidated financial statements

The key audit matter	How the matter was addressed in our audit
<p>As disclosed in note 4, The Group's consolidated financial statements includes Goodwill aggregating Rs. 45,468.37 lakhs pertaining to past acquisitions/ amalgamations. Further, the Group's consolidated Financial Statements also includes intangible assets with indefinite life ('Brand') aggregating Rs. 29,387.00 lakhs, which was acquired pursuant to acquisition of Dr. Ganesan's Hitech Diagnostic Centre Private Limited, which together represents 48% of total assets of the Group as at 31 March 2024.</p> <p>Group tests goodwill and indefinite life intangible asset for impairment annually, or more frequently when there is an indication, the cash generating unit to which goodwill and indefinite life intangible asset has been allocated may be impaired.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> ● Understanding the process followed by the Group in respect of the annual impairment analysis. ● Evaluating the design and implementation and testing the operating effectiveness of key internal controls related to the Group process of performing impairment assessment, including controls over determination of discount rate and terminal growth rate. ● Challenging the reasonableness of the assumptions, particularly forecasted revenue growth rate and related costs based on our knowledge of the Group and market.

in equity and consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us along with the consideration of reports of the other auditors referred to in paragraph (a) of the "Other Matters" section below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key Audit Matter(s)

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Independent Auditor's Report (Contd.)

The key audit matter	How the matter was addressed in our audit
<p>The recoverable value of the CGU which is based on the value in use model, has been derived from discounted cash flow model.</p> <p>We identified the assessment of impairment indicators in respect of goodwill and indefinite life intangible asset as a key audit matter considering:</p> <ul style="list-style-type: none"> ● The significance of the value of goodwill and indefinite life intangible asset in the Consolidated Balance Sheet. ● The degree of judgement involved in determining the recoverable amount of goodwill and indefinite life intangible asset including: <ul style="list-style-type: none"> i. Valuation assumptions such as discount rate and terminal growth rate. ii. Business assumptions such as revenue growth rate, related costs and the resultant cash flows projected to be generated from the above. 	<ul style="list-style-type: none"> ● Assessing historical accuracy by comparing past forecasts to actual results achieved. ● Involving valuation professionals with specialised skills and knowledge to assist in evaluating the impairment model used and assumptions including discount rate and terminal growth rate applied by the Group by comparing it to a range of rates that were independently developed using publicly available market indices and market data for comparable entities. ● Testing data used to develop the estimate for completeness and accuracy. ● Performing a sensitivity analysis to evaluate the impact of change in key assumption individually or collectively to the recoverable value. ● Assessing the adequacy of disclosures in the consolidated financial statements.

Other Information

The Holding Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual report, but does not include the financial statements and auditor's reports thereon. The Holding Company's annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Holding Company's annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

Management's and Board of Directors' Responsibilities for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards

(Ind AS) specified under Section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud

Independent Auditor's Report (Contd.)

or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial statements of such entities or business

activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in paragraphs (a) and (b)(i) of the section titled "Other Matters" in this audit report.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter(s)

- a. We did not audit the financial statements of two subsidiaries, whose financial statements reflect total assets (before consolidation adjustments) of Rs. 2,765.89 lakhs as at 31 March 2024, total revenues (before consolidation adjustments) of Rs. 1,471.75 lakhs and net cash inflows (before consolidation adjustments) amounting to Rs. 109.62 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

Independent Auditor's Report (Contd.)

These subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the reports of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of this matter with respect to our reliance on the work done and the reports of the other auditors.

- b. As stated in Note 40 to the consolidated financial statements, the Holding Company has aligned the accounting year of five subsidiaries with its accounting year. Accordingly,
- i. We did not audit the financial statements of five subsidiaries, whose financial statements reflect total assets (before consolidation adjustments) of Rs. 6,156.70 lakhs as at 31 December 2023, total revenues (before consolidation adjustments) of Rs. 6,731.88 lakhs and net cash outflows (before consolidation adjustments) amounting to Rs. 1,569.62 lakhs for the period 1 January 2023 to 31 December 2023, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

These subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries located outside India from

accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the reports of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of this matter with respect to our reliance on the work done and the reports of the other auditors.

- ii. The financial information of five subsidiaries referred to above, whose financial information reflects total assets (before consolidation adjustments) of Rs. 7,454.89 lakhs as at 31 March 2024, total revenues (before consolidation adjustments) of Rs. 2,017.02 lakhs and net cash inflows (before consolidation adjustments) amounting to Rs. 217.10 lakhs for the period 1 January 2024 to 31 March 2024, as considered in the consolidated financial statements, have not been audited either by us or by other auditors. These unaudited financial information have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries, is based solely on such financial information. In our opinion and according to the information and explanations given to us by the Management, these financial information are not material to the Group.
- a. Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of this matter with respect to the financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. A. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial

Independent Auditor's Report (Contd.)

statements of such subsidiaries, as were audited by other auditors, as noted in the "Other Matters" paragraph, we report, to the extent applicable, that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors except for the matters stated in the paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
 - c. The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e. On the basis of the written representations received from the directors of the Holding Company as on 01 April 2024 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164(2) of the Act.
 - f. the modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(b) above on reporting under Section 143(3)(b) and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
 - g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries, as noted in the "Other Matters" paragraph:
- a. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2024 on the consolidated financial position of the Group. Refer Note 44 to the consolidated financial statements.
 - b. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2024.
 - c. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Holding Company or its subsidiary companies incorporated in India during the year ended 31 March 2024.
 - d.
 - (i) The respective management of the Holding Company and its subsidiary companies incorporated in India whose financial statements have been audited under the Act have represented to us that, to the best of their knowledge and belief, as disclosed in the Note 57 to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiary companies to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiary companies ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (ii) The respective management of the Holding Company and its subsidiary companies incorporated in India whose financial statements have been audited under the Act have represented to us that, to the best of their knowledge and belief, as disclosed in the Note 57 to the consolidated financial statements, no funds have been received by the Holding Company or any of such subsidiary companies from any

Independent Auditor's Report (Contd.)

- person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiary companies shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us, nothing has come to our or [the branch auditors / other auditors] notice that has caused us or the [branch auditor/branch auditors/ other auditor/other auditors] to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.
- e. The interim dividend declared and paid by the Holding Company and its subsidiary company incorporated in India during the year and until the date of this audit report is in accordance with Section 123 of the Act.
- f. Based on our examination which included test checks, except for the instances mentioned below, the Holding Company and its subsidiary companies incorporated in India have used accounting softwares for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective softwares:
- i. In case of the Holding Company and four subsidiary companies, in the absence of reporting on compliance with the audit trail requirements in the independent auditor's report of a service organisation for an accounting software used for maintaining books of accounts, which is operated by a third party software service provider, we are unable to comment whether audit trail feature for the said software was enabled at database level and operated throughout the year for all the relevant transactions recorded in the software.
- ii. In case of the Holding Company and four subsidiary companies, in the absence of an independent auditor's report in relation to controls at a service organisation for an accounting software used for maintaining customer records (operated from 1 November 2023 to 31 March 2024), we are unable to comment whether audit trail feature for the said software was enabled at database level and operated from 1 November 2023 to 31 March 2024 for all the relevant transactions recorded in the software.
- iii. In case of the Holding Company and four subsidiary companies, in the absence of sufficient and appropriate evidence due to decommissioning of an accounting software used for maintaining customer records (operated from 1 April 2023 to 31 October 2023), we are unable to comment whether audit trail feature for the said software was enabled and operated from 1 April 2023 to 31 October 2023 for all the relevant transactions recorded in the software.
- Further, where audit trail (edit log) facility was enabled and operated throughout the year for the respective accounting softwares, we did not come across any instance of the audit trail feature being tampered with.
- C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act: In our opinion and according to the information and explanations given to us the remuneration paid/payable during the current year by the Holding Company and its subsidiary companies incorporated in India to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid/payable to any director by the Holding Company and its subsidiary companies incorporated in India is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Rajesh Mehra
Partner

Membership No.: 103145
ICAI UDIN:24103145BKFWKZ4189

Place: Mumbai
Date: 21 May 2024

Annexure A to the Independent Auditor's Report

on the Consolidated Financial Statements of Metropolis Healthcare Limited for the year ended 31 March 2024
(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(xxi) In our opinion and according to the information and explanations given to us, following company incorporated in India and included in the consolidated financial statements, has unfavourable remarks, qualification or adverse remarks given by its auditor in his report under the Companies (Auditor's Report) Order, 2020 (CARO):

Sr. No.	Name of the entities	CIN	Holding Company/ Subsidiary/ JV/ Associate	Clause number of the CARO report which is unfavourable or qualified or adverse
1	Metropolis HistoXpert Digital Services Private Limited	U85320MH2018PTC304941	Subsidiary Company	3(xvii)

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Place: Mumbai
Date: 21 May 2024

Rajesh Mehra
Partner
Membership No.: 103145
ICAI UDIN:24103145BKFWKZ4189

Annexure B to the Independent Auditor's Report

on the consolidated financial statements of Metropolis Healthcare Limited for the year ended 31 March 2024
Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act (Referred to in paragraph 2(A)(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

In conjunction with our audit of the consolidated financial statements of Metropolis Healthcare Limited (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2024, we have audited the internal financial controls with reference to financial statements of the Holding Company and such companies incorporated in India under the Act which are its subsidiary companies, as of that date.

In our opinion, the Holding Company and such companies incorporated in India which are its subsidiary companies, have, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2024, based on the internal financial controls with reference to financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The respective Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the respective company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with

reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Annexure B to the Independent Auditor's Report (Contd.)

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud

may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Place: Mumbai
Date: 21 May 2024

Rajesh Mehra
Partner
Membership No.: 103145
ICAI UDIN:24103145BKFWKZ4189

Consolidated Balance Sheet

as at March 31, 2024

(Rs. in Lakhs)

	Note	March 31, 2024	March 31, 2023
ASSETS			
Non-current assets			
Property, plant and equipment	3	15,589.46	13,724.60
Right of use assets	37	18,013.94	17,339.93
Goodwill	4	45,468.37	45,468.37
Other intangible assets	4	38,634.45	35,533.84
Intangible assets under development	4	-	1,951.18
Financial Assets			
i. Investments	5	175.28	175.28
ii. Other financial assets	6	2,476.58	1,663.78
Non-current tax assets (Net)	7	2,757.30	3,286.77
Deferred tax assets (Net)	35 (iv)	763.58	689.65
Other non-current assets	8	44.33	54.06
Total non-current assets		1,23,923.29	1,19,887.46
Current assets			
Inventories	9	3,869.36	4,459.13
Financial Assets			
i. Investments	10	5,307.49	1,306.14
ii. Trade receivables	11	12,628.12	12,188.76
iii. Cash and cash equivalents	12	6,261.83	6,883.32
iv. Bank balances other than cash and cash equivalents	13	859.72	2,436.14
v. Loans	14	-	-
vi. Other financial assets	15	628.45	1,405.60
Other current assets	16	2,028.00	1,594.35
Total current assets		31,582.97	30,273.44
TOTAL ASSETS		1,55,506.26	1,50,160.90
EQUITY AND LIABILITIES			
Equity			
Equity share capital	17	1,024.54	1,024.21
Other equity	18	1,08,591.01	97,799.02
Equity attributable to owners of the Company		1,09,615.55	98,823.23
Non-controlling interests		311.93	247.85
Total Equity		1,09,927.48	99,071.09
Liabilities			
Non-current liabilities			
Financial liabilities			
i. Borrowings	19	0.00	2,861.42
ii. Lease Liabilities	37	11,906.78	12,550.13
iii. Other financial liabilities	20	-	54.95
Provisions	21A	1,579.52	1,302.02
Deferred tax liabilities (net)	35 (iv)	7,505.06	7,824.21
Total non-current liabilities		20,991.36	24,592.73
Current liabilities			
Financial liabilities			
i. Borrowings	22	-	5,043.81
ii. Lease Liabilities	37	7,799.67	6,183.09
iii. Trade payables			
Total outstanding dues of creditors other than micro enterprises and small enterprises			
- Total outstanding dues of micro enterprises and small enterprises	23	26.24	184.26
- Total outstanding dues of creditors other than micro enterprises and small enterprises	23	9,917.74	9,223.93
iv. Other financial liabilities	24	1,767.88	2,012.29
Other current liabilities	25	2,400.79	1,956.35
Provisions	21B	1,047.59	958.66
Current tax liabilities (net)	26	1,627.51	934.70
Total current liabilities		24,587.42	26,497.08
TOTAL EQUITY AND LIABILITIES		1,55,506.26	1,50,160.90

Basis of preparation, measurement and material accounting policies

The accompanying notes 1 to 60 are an integral part of these consolidated financial statements.

As per our report of even date attached

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No: 101248W/W-100022

Rajesh Mehra

Partner

Membership No: 103145

Place: Mumbai

Date: May 21, 2024

For and on behalf of the Board of Directors

Metropolis Healthcare Limited

L73100MH2000PLC192798

Dr. Sushil Shah

Chairman & Executive Director

DIN: 00179918

Place : Mumbai

Surendran Chemmenkoti

Chief Executive Officer

Place: Mumbai

Subramanian Ranganathan

Independent Director

DIN:00125493

Place : Mumbai

Ameera Shah

Managing Director

DIN: 00208095

Place : Mumbai

Rakesh Agarwal

Chief Financial Officer

Place: Mumbai

Kamlesh Kulkarni

Company Secretary

Place: Mumbai

Consolidated Statement of Profit and Loss

for the year ended March 31, 2024

(Rs. in Lakhs)

	Note	March 31, 2024	March 31, 2023
Income			
Revenue from operations	27	1,20,770.88	1,14,821.02
Other income	28	911.70	1,522.46
Total Income		1,21,682.58	1,16,343.48
Expenses			
Cost of materials consumed	29	24,256.89	25,326.40
Laboratory testing charges	30	1,357.68	657.09
Employee benefits expense	31	27,578.35	25,273.41
Finance costs	32	2,253.58	2,680.15
Depreciation and amortization expense	33	9,446.78	8,921.56
Other expenses	34	39,320.41	34,734.53
Total Expenses		1,04,213.69	97,593.14
Profit before tax		17,468.89	18,750.34
Tax expenses:	35		
Current tax			
- for current year		4,966.99	5,127.43
- adjustments for earlier years		(6.09)	(258.40)
2. Deferred tax credit		(337.57)	(458.09)
Total tax expenses		4,623.33	4,410.94
Profit for the year		12,845.56	14,339.40
Other Comprehensive Income			
(i) Items that will not be reclassified subsequently to profit and loss			
Remeasurements of the defined benefit plans	47 (a)	(221.45)	(219.94)
Income tax on above	35	55.73	55.36
		(165.72)	(164.58)
(ii) Items that will be subsequently reclassified to profit and loss			
Exchange differences in translating financial statements of foreign operations		83.40	129.74
		83.40	129.74
Other comprehensive income for the year, net of tax		(82.32)	(34.84)
Total comprehensive income for the year		12,763.24	14,304.56
Profit for the year attributable to:			
Owners of the Company		12,781.62	14,288.26
Non-controlling interest		63.94	51.14
Other comprehensive income for the year attributable to:			
Owners of the Company		(82.46)	(34.70)
Non-controlling interest		0.14	(0.14)
Total comprehensive income for the year attributable to:			
Owners of the Company		12,699.16	14,253.56
Non-controlling interest		64.08	51.00
Earnings per equity share			
Equity shares of face value of Rs. 2 each			
Basic earnings per share (Rs.)	36	24.95	27.91
Diluted earnings per share (Rs.)	36	24.87	27.81

Basis of preparation, measurement and material accounting policies

2

The accompanying notes 1 to 60 are an integral part of these consolidated financial statements.

As per our report of even date attached

For B S R & Co. LLP

Chartered Accountants
Firm's Registration No: 101248W/W-100022

Rajesh Mehra

Partner
Membership No: 103145

Place: Mumbai
Date: May 21, 2024

For and on behalf of the Board of Directors

Metropolis Healthcare Limited

L73100MH2000PLC192798

Dr. Sushil Shah

Chairman & Executive Director
DIN: 00179918
Place : Mumbai

Surendran Chemmenkotil

Chief Executive Officer
Place: Mumbai

Subramanian Ranganathan

Independent Director
DIN:00125493
Place : Mumbai

Ameera Shah

Managing Director
DIN: 00208095
Place : Mumbai

Rakesh Agarwal

Chief Financial Officer
Place: Mumbai

Kamlesh Kulkarni

Company Secretary
Place: Mumbai

Consolidated Statement of Cash Flow

for the year ended March 31, 2024

(Rs. in Lakhs)

Particulars	March 31, 2024	March 31, 2023
A. Cash flow from operating activities		
Profit before tax	17,468.89	18,750.34
Adjustments for :		
Depreciation and amortization expense	9,446.78	8,921.56
(Profit) / Loss on sale of property plant and equipments (net)	-	(0.77)
Sundry balances written back	(289.04)	(399.98)
Provision/ (reversal) for bad and doubtful debts (net)	1,131.57	(223.61)
Provision for bad and doubtful advances (net)	219.77	-
Gain on redemption of Mutual fund	(97.53)	-
Foreign exchange loss / (gain) (net)	(334.80)	18.37
Share based payments expenses (Refer note 31)	141.64	28.51
Credit impaired trade receivables written off	3.66	6.39
Interest income	(325.29)	(515.07)
Interest income on income tax refund	(0.96)	(55.71)
Changes in fair value of current investments	(18.08)	(67.81)
Write off of property plants and equipments	-	13.50
Interest expenses on borrowings	388.93	1,011.55
Interest on deferred purchase consideration	5.61	9.92
Interest on lease liabilities	1,859.05	1,658.68
Cash generated from operations before working capital changes	29,600.20	29,155.87
Working capital adjustments:		
Decrease in loans	-	5.42
Decrease in inventories	589.77	651.50
(Increase)/Decrease in trade receivables	(1,236.97)	1,577.24
(Increase) in other assets (Current and non current)	(618.95)	(181.47)
Decrease / (Increase) in other financial assets (Current and non current)	463.90	(108.29)
Increase / (Decrease) in provisions	144.98	(16.62)
Increase / (Decrease) in trade payables	570.03	(531.22)
(Decrease) in other financial liabilities	(101.05)	(322.95)
Increase/(Decrease) in other liabilities	733.48	(362.52)
Cash generated from operating activities	30,145.39	29,866.96
Income taxes (paid) (net)	(3,738.40)	(5,157.98)
Net cash generated from operating activities (A)	26,406.99	24,708.98
B. Cash flows from investing activities		
Purchase of property, plant and equipment and capital work-in-progress	(6,376.10)	(5,263.35)
Proceeds from sale of property, plant and equipment	-	14.93
Deferred purchase consideration paid	(65.00)	(45.06)
Purchase of current investments	(15,755.00)	(25,525.00)
Proceeds from sale of current investments	11,869.26	25,662.19
Interest received	216.54	650.07
Investments in term deposits (having original maturity of more than three months)	1,169.14	9,185.66
Net cash (used in) / genrated from investing activities (B)	(8,941.16)	4,679.44

Consolidated Statement of Cash Flow
for the year ended March 31, 2024 (Contd.)

(Rs. in Lakhs)

Particulars	March 31, 2024	March 31, 2023
C. Cash flow from financing activities		
Proceeds from Issue of Share to ESOP holders(Refer note 47 (c))	0.34	18.36
Repayment of borrowings	(7,905.23)	(17,886.68)
Principal payment of lease liabilities	(5,917.39)	(4,535.31)
Interest paid on lease liabilities	(1,859.05)	(1,658.68)
Payment of dividend	(2,049.60)	(4,096.85)
Interest paid on borrowing	(388.93)	(1,073.72)
Net cash used in financing activities (C)	(18,119.85)	(29,232.88)
Net (Decrease) / Increase in cash and cash equivalents (A) + (B) + (C)	(654.02)	155.54
Effect of exchange rate changes on cash and cash equivalents	83.40	129.74
Net (Decrease) / Increase in cash and cash equivalents	(570.62)	285.28
Cash and cash equivalents at the beginning of the year (Refer note 12)	6,883.32	6,598.04
Less: Effect of exchange differences on balances with banks in foreign currency	(50.87)	-
Cash and cash equivalents at the end of the year (Refer note 12)	6,261.83	6,883.32

Notes:

- The above Consolidated Statement of Cash Flows has been prepared under the "Indirect Method" as set out in the Ind. AS - 7 "Statement of Cash Flows"
- The figures in the brackets indicate outflow of cash and cash equivalents.
- The movement of borrowing and lease liabilities as per Ind AS 7 is as follows:

Movement in borrowings (excluding interest accrued and not due), lease liabilities and equity share capital:

Particulars	March 31, 2023	Cash flows	Non cash changes	March 31, 2024
Equity share capital	1,024.21	0.33	-	1,024.54
Long term borrowings	2,861.42	(2,861.42)	-	0.00
Short term borrowings	5,043.81	(5,043.81)	-	-
Lease liabilities	18,733.21	(7,776.44)	8,749.67	19,706.45
Total borrowings	26,638.44	(15,681.66)	8,749.67	19,706.45

The accompanying notes 1 to 60 are an integral part of these consolidated financial statements.

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Rajesh Mehra
Partner
Membership No: 103145

Place: Mumbai
Date: May 21, 2024

For and on behalf of the Board of Directors
Metropolis Healthcare Limited
L73100MH2000PLC192798

Dr. Sushil Shah
Chairman & Executive Director
DIN: 00179918
Place : Mumbai

Surendran Chemmenkotil
Chief Executive Officer
Place: Mumbai

Subramanian Ranganathan
Independent Director
DIN:00125493
Place : Mumbai

Ameera Shah
Managing Director
DIN: 00208095
Place : Mumbai

Rakesh Agarwal
Chief Financial Officer
Place: Mumbai

Kamlesh Kulkarni
Company Secretary
Place: Mumbai

Consolidated Statement of Changes in Equity (SOCIE)

for the year ended March 31, 2024

A. Changes in Equity Share Capital (Refer note 17)

Particulars	Number of shares	Amount (Rs in Lakhs)
Equity Share Capital		
Balance as at April 01, 2022	5,11,72,119	1,023.44
Changes in equity share capital due to prior period errors	-	-
Issued under Metropolis Employee Stock Option Scheme 2015 and Metropolis Restrictive Stock Unit Plan, 2020 (Refer note 47 (c))	38,545	0.77
Balance as at March 31, 2023	5,12,10,664	1,024.21
Changes in equity share capital due to prior period errors	-	-
Issued under Metropolis Employee Stock Option Scheme 2015 and Metropolis Restrictive Stock Unit Plan, 2020 (Refer note 47 (c))	16,197	0.33
Balance as at March 31, 2024	5,12,26,861	1,024.54

B. Other Equity (Refer note 18)

Particulars	Reserves & Surplus						Other comprehensive income	Total other Equity attributable to owners of Company	Non-controlling Interest	Total other equity
	Securities premium	Capital redemption reserve	General reserve	Capital reserve	Employee stock options reserve	Retained earnings	Foreign Currency Translation reserves			
Balance as at April 01, 2023	15,657.75	0.33	2,840.36	69.13	734.74	78,235.64	261.07	97,799.02	247.85	98,046.87
Profit for the year	-	-	-	-	-	12,781.62	-	12,781.62	63.94	12,845.56
Other comprehensive income										
Remeasurement of defined benefit plan	-	-	-	-	-	(165.72)	-	(165.72)	0.14	(165.58)
Total comprehensive income	15,657.75	0.33	2,840.36	69.13	734.74	90,851.54	261.07	1,10,414.92	311.93	1,10,726.85
Interim dividend	-	-	-	-	-	(2,048.95)	-	(2,048.95)	-	(2,048.95)
Share options exercised under Metropolis Employee Stock Option Scheme 2007 (Refer note)	-	-	103.68	-	(103.68)	-	-	-	-	-
Share based payments (Refer note 31)	-	-	-	-	141.64	-	-	141.64	-	141.64
Exchange differences in translating financial statements of foreign operations	-	-	-	-	-	-	83.40	83.40	-	83.40
Balance as at March 31, 2024	15,657.75	0.33	2,944.04	69.13	772.70	88,802.59	344.47	1,08,591.01	311.93	1,08,902.94

* There are no changes in other equity due to prior period errors

Refer Note 18 for nature and purpose of reserves

The accompanying notes 1 to 60 are an integral part of these consolidated financial statements.

As per our report of even date attached

For B S R & Co. LLP

Chartered Accountants
 Firm's Registration No: 101248W/W-100022

Rajesh Mehra

Partner
 Membership No: 103145

Place: Mumbai

Date: May 21, 2024

For and on behalf of the Board of Directors

Metropolis Healthcare Limited
 L73100MH2000PLC192798

Dr. Sushil Shah

Chairman & Executive Director
 DIN: 00179918
 Place : Mumbai

Surendran Chemmenkoti

Chief Executive Officer
 Place: Mumbai

Subramanian Ranganathan

Independent Director
 DIN:00125493
 Place : Mumbai

Ameera Shah

Managing Director
 DIN: 00208095
 Place : Mumbai

Rakesh Agarwal

Chief Financial Officer
 Place: Mumbai

Kamlesh Kulkarni

Company Secretary
 Place: Mumbai

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

1. Background of the Company and nature of operation

Metropolis Healthcare Limited (the 'Holding Company'), was incorporated in India as Pathnet India Private Limited in the year 2000 and is engaged in the business of providing pathology and related healthcare services. The registered office of the Holding Company is located at 250-D, Udyog Bhavan, Hind Cycle Marg, Worli, Mumbai. The Holding Company got listed on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) on 15 April 2019 through sale of equity shares by Dr. Sushil Kanubhai Shah and CA Lotus Investments.

2. Basis of preparation, measurement and material accounting policies

2.1 Basis of preparation and measurement

a Statement of compliance:

These Consolidated financial statements of Metropolis Healthcare Limited and its subsidiaries ('the Group' or 'Metropolis Group') have been prepared in accordance with the Indian Accounting Standards ("Ind-AS") as specified under Section 133 of the Companies Act, 2013 read with the Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 and the provisions of Companies Act, 2013. The Consolidated financial statements are presented in Lakhs of Indian rupees rounded off to two decimal places, except per share information, unless otherwise stated.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

These Consolidated financial statements have been prepared on the historical cost basis, except for share based payments, defined benefit obligations and certain financial instruments which are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

The consolidated financial statements were authorised for issue by the Company's Board of Director on May 21, 2024.

The accounting policies are applied consistently to all the periods presented in the consolidated financial statements.

b Basis of consolidation:

Subsidiaries:

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries. Subsidiaries are entities over which the Group has control. Subsidiaries are consolidated on a line-by-line basis from the date the control is transferred to the Group. They are deconsolidated from the date that control ceases. The acquisition method of accounting is used to account for business combinations by the Group. Changes in the Group's interest in subsidiaries that do not result in a loss of control are accounted as equity transactions. The carrying amount of the Company's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to owners of the Company. In case of loss of control of a subsidiary, the difference of the aggregate of fair value of consideration received and fair value of retained interest as compared to the carrying amount of the assets (including any goodwill) and liabilities of the subsidiary and related noncontrolling interest, if any, is recognized as gain or loss in Consolidated statement of profit and loss. Additionally, components of Other Comprehensive Income of Subsidiaries are reclassified to Consolidated statement of profit and loss or transferred directly to retained earnings. The fair value of any investment retained at the date when control is lost is regarded as the cost on initial recognition of investment in an associate or jointly controlled entity or as the fair value on initial recognition of investment classified as a financial asset. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. These financial statements are prepared by applying uniform accounting policies in use at the Group.

Associates:

Associates are the entities over which the Group has significant influence. Investment in associates

Notes to consolidated financial statements for the year ended March 31, 2024 (Contd.)

are accounted for using the equity method of accounting, after initially being recognized at cost. The Company does not hold any investment in associates as at March 31, 2024 and March 31, 2023.

Joint arrangements:

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have the rights to the net assets of the arrangement. The results, assets and liabilities of a joint venture are accounted using the equity method of accounting. Where the Group's activities are conducted through joint operations (i.e. the parties have rights to the assets and obligation for liabilities relating to the arrangement), the Group recognises its share of assets, liabilities, income and expenses of such joint operations incurred jointly along with its share of income from the sale of output. The Company does not hold any investment in joint arrangement or joint venture as at March 31, 2024 and March 31, 2023.

C Current vs non-current classification:

All the assets and liabilities have been classified into current and non current.

Assets:

An asset is classified as current when it satisfies any of the following criteria:

- a) it is expected to be realised in, or is intended for sale or consumption in, the group's normal operating cycle;
- b) it is held primarily for the purpose of being traded;
- c) it is expected to be realised within twelve months after the reporting date; or
- d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

Liabilities:

A liability is classified as current when it satisfies any of the following criteria:

- a) it is expected to be settled in the group's normal operating cycle;
- b) it is held primarily for the purpose of being traded;
- c) it is due to be settled within twelve months after the reporting date; or
- d) the group does not have an unconditional right to defer settlement of the liability for at

least twelve months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Operating cycle:

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the Schedule III to the Companies Act 2013. Based on the nature of services and the time taken between acquisition of assets/inventories for processing and their realization in cash and cash equivalents, the group has ascertained its operating cycle as twelve months for the purpose of the classification of assets and liabilities into current and non-current.

c Basis of measurement

These consolidated financial statements have been prepared on accrual and going concern basis and the historical cost convention except for the following assets and liabilities which have been measured at fair value or revalued amount:

- Certain financial assets and liabilities (including derivative instruments) measured at fair value
- Assets and liabilities assumed on business combination measured at fair value
- Equity settled share-based payments measured at fair value
- Net defined benefit asset / liability - Fair value of plan assets less present value of defined benefit obligations.

d Key estimates and assumptions

The preparation of consolidated financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses.

Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Judgments

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognized in the financial

Notes to consolidated financial statements for the year ended March 31, 2024 (Contd.)

statements is included in the following notes:

- Leasing arrangement (classification)
- Note 2.2(o) and Note 43

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending March 31, 2024 is included in the following notes:

- Financial instruments - Note 2.2(e)
- Fair value measurement - Note 2.2(e)
- Impairment test of goodwill and intangible assets: key assumptions underlying recoverable amounts - Note 2.2(d),
- Measurement of ECL allowance for trade receivables and other assets - Note 2.2(e)
- Assessment of useful life and residual value of property, plant and equipment and intangible assets - Note 2.2(b)
- Leasing arrangement (accounting) - Note 2.2(o)
- Estimation of assets and obligations relating to employee benefits (including actuarial assumptions) Note 48.

e Measurement of fair values

Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The group has an established control framework with respect to the measurement of fair values (including Level 3 fair values). The group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The group recognises transfers between levels of the fair value hierarchy at the end of the reporting year during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes

- Financial instruments (Note 38)
- Share-based payment arrangements (Note 47 (c))
- Business combination (Note 56)

2.2 Material accounting policies

a) Business combinations

The Group accounts for its business combinations under acquisition method of accounting. The acquiree's identifiable assets including liabilities and contingent liabilities that meet the condition for recognition are recognized at their fair values at the acquisition date. The excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed is recognized as goodwill. Before recognising capital reserve in respect thereof, the Group determines whether there exists clear evidence of underlying reasons for classifying the business combination as a bargain purchase. Thereafter, the Group reassesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and recognises any additional asset or liabilities that are identified in that reassessment. The Group then reviews the procedures used to measure the amounts that Ind AS requires for the purposes of calculating the bargain purchase. If the gain remains after this reassessment and review, the Group recognises it directly in equity as capital reserve. Non-controlling interest is initially measured at fair value or at the proportionate share of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition by acquisition basis. Subsequent

Notes to consolidated financial statements for the year ended March 31, 2024 (Contd.)

to initial acquisition, the carrying amount of non-controlling interest is the amount of those interest in initial recognition plus the non-controlling interest's share of subsequent changes in equity of subsidiaries. When the consideration transferred by the Group in business combination includes assets or liabilities resulting in a contingent consideration arrangement, the contingent consideration is measured at its acquisition date fair value and included as a part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments, are adjusted retrospectively, with corresponding adjustments against goodwill or capital reserve as the case may be. When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to its acquisition-date fair value and the resulting gain or loss, if any, is recognized in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognized in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed off. If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amount for the items for which the accounting is incomplete. Those provisional amount are adjusted during the measurement period (which cannot exceed one year from the acquisition date), or additional assets or liabilities are recognized, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amount recognized at that date. In consolidated financial statements, acquisition of non-controlling interest is accounted as equity transaction. The carrying amount of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to owners of the Company.

Common Control:

Business combinations involving entities that are ultimately controlled by the same part(ies) before and after the business combination are

considered as Common control entities and are accounted using the pooling of interest method as follows:

- The assets and liabilities of the combining entities are reflected at their carrying amounts.
- No adjustments are made to reflect the fair values, or recognise new assets or liabilities. Adjustments are made to harmonise accounting policies.
- The financial information in the financial statements in respect of prior periods is restated as if the business combination has occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination.

The balance of the retained earnings appearing in the financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee company.

The identity of the reserves are preserved and the reserves of the transferor become the reserves of the transferee.

The difference if any, between the amounts recorded as share capital plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and is presented separately from other capital reserves.

b) Property plant and equipment (PPE)

Recognition and measurement:

The cost of an item of property, plant and equipment shall be recognized as an asset if, and only if its probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Items of property, plant and equipment, other than freehold land are measured at cost less accumulated depreciation and any accumulated impairment losses.

Freehold land is carried at cost and is not depreciated.

The cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, (after deducting trade discounts and rebates), any directly attributable costs of bringing the asset to its working condition for its intended use and estimated costs of dismantling and removing the

Notes to consolidated financial statements for the year ended March 31, 2024 (Contd.)

item and restoring the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on derecognition of an item of property, plant and equipment is included in statement of profit and loss when the item is derecognized.

The cost of property, plant and equipment at April 01, 2018, the Company's date of transition to Ind AS, was determined with reference to its carrying value recognized as per the previous GAAP (deemed cost), as at the date of transition to Ind AS.

Subsequent costs are included in the assets carrying amount or recognized as a separate asset, as appropriate, only if it is probable that the future economic benefits associated with the item will flow to the group and that the cost of the item can be reliably measured. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repair and maintenance are charged to statement of profit and loss during the reporting year in which they are incurred.

Depreciation:

Depreciation on PPE is computed using the straight-line method over the estimated useful lives. The management basis its past experience and technical assessment has estimated the useful lives, which is at variance with the life prescribed in Part C of Schedule II to the Act and has accordingly, depreciated the assets over such useful lives. The Company has established the estimated range of useful lives for different categories of PPE as follows:

Particulars	Management's estimate of useful life	Useful life as per Schedule II
Laboratory Equipment's (Plant & Equipment's) :		
(Electrical Machinery, X-ray & diagnostic equipment's namely Cat-stan, Ultrasound, ECG monitors.)	13 years	13 years
Building	60 years	60 years

Particulars	Management's estimate of useful life	Useful life as per Schedule II
Office equipment	5 years	5 years
Computers	6 years	3 years
Furniture and Fixtures	15 years	10 years
Vehicles	10 years	8 years

Leasehold improvements are depreciated over the tenure of lease term.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

c) Intangible assets

Goodwill

Goodwill is initially recognized as the excess of consideration paid over acquirer's interest in the net fair value of the identifiable net assets of acquired business. Goodwill that arises on a business combination is subsequently measured at cost less any accumulated impairment losses on testing of impairment. The Group estimates the value-in-use of the cash generating units (CGUs) based on the future cash flows after considering current economic conditions and trends, estimated future operating results and growth rate and anticipated future economic and regulatory conditions. The estimated cash flows are developed using internal forecasts. The discount rates used for the CGUs represent the weighted average cost of capital based on the historical market returns of comparable companies.

Other Intangible assets:

An intangible asset is recognized only if it is probable that future economic benefits attributable to the asset will flow to the Group and the cost of the asset can be measured reliably.

Following initial recognition, intangible assets are carried at cost less accumulated amortization and any accumulated impairment losses.

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates and the cost of the asset can be measured reliably. All other expenditure, including expenditure on internally generated goodwill and brands, is recognized in profit or loss as incurred.

Notes to consolidated financial statements for the year ended March 31, 2024 (Contd.)

Intangible assets under development that are not ready for their intended use at the end of reporting period and are carried at cost comprising direct costs, related incidental expenses, other directly attributable costs and borrowing costs, less impairment losses if any. Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition.

The cost of intangible assets at April 01, 2018, the Company's date of transition to Ind AS, was determined with reference to its carrying value recognized as per the previous GAAP (deemed cost), as at the date of transition to Ind AS.

Amortization:

Amortization is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives, and is recognized in statement of profit and loss.

The estimated useful lives for current and comparative periods are as follows:

Computer software - 5 years

Brand - 10 years

Customer relationship - 5-8 years

Amortization method, useful lives and residual values are reviewed at the end of each financial year and adjusted, if appropriate.

d) Impairment of non-financial assets

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash flows of other assets or CGUs. Goodwill arising from a business combination is allocated to CGUs that are expected to benefit from the synergies of the combination.

The group's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

The recoverable amount of an individual asset (or where applicable, that of cash generating unit (CGU) to which the asset belongs) is the higher of

its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset (or CGU).

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognized in the statement of profit and loss.

e) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial instruments also include derivative contracts such as call options to buy out stake in subsidiary.

1. Financial assets

Initial recognition and measurement

Financial assets are initially recognized when the Company becomes a party to the contractual provisions of the instrument. All financial assets other than those measured subsequently at fair value through profit and loss, are recognized initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset.

Trade receivables are initially recognized at transaction price as they do not contain a significant financing component. This implies that the effective interest rate for these receivables is zero. Subsequently, the Company applies lifetime expected credit loss model for measurement of trade receivables.

Classification and subsequent measurement

For the purpose of subsequent measurement, financial assets are classified in three categories:

- amortized cost,
- Fair value through profit (FVTPL)
- Fair value through other comprehensive income (FVTOCI)

on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

Notes to consolidated financial statements for the year ended March 31, 2024 (Contd.)

Financial assets – Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Group's management; the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets – Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the

financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features;
- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Amortized cost :

A financial instrument is measured at the amortized cost if both the following conditions are met:

Notes to consolidated financial statements for the year ended March 31, 2024 (Contd.)

The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method.

Fair value through profit and loss ('FVTPL'):

All financial assets that do not meet the criteria for amortized cost or fair value through other comprehensive income are measured at fair value through profit or loss with all changes recognized in the consolidated statement of profit and loss. Interest income (basis EIR method), from financial assets at fair value through profit or loss is recognized in the statement of profit and loss within finance income/ finance costs separately from the other gains/ losses arising from changes in the fair value.

Derivative financial instruments (call option over shares of subsidiaries) are classified as financial instruments at fair value through profit or loss. Such derivative financial instruments are initially recognized at fair value.

They are subsequently re-measured at their fair value, with changes in fair value being recognized in the statement of profit and loss.

Fair value through Other Comprehensive Income ('FVOCI')

Financial assets are measured at FVOCI if both the following conditions are met:

The asset is held within a business model whose objective is achieved by both

- collecting contractual cash flows and selling financial assets and
- contractual terms of the asset give rise on specified dates to cash flows that are SPPI on the principal amount outstanding.

After initial measurement, these assets are subsequently measured at fair value.

Dividends, Interest income under effective interest method, foreign exchange gains and

losses and impairment losses are recognized in the Statement of Profit and Loss. Other net gains and losses are recognized in other comprehensive Income.

Derecognition:

A financial asset (or, where applicable, a part of a financial asset or a part of a group of similar financial assets) is primarily derecognized (i.e. removed from the group's balance sheet) when:

The contractual rights to receive cash flows from the financial asset have expired, or The group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either

- (a) the group has transferred substantially all the risks and rewards of the asset, or
- (b) the group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

On de-recognition, any gains or losses on all equity instruments (measured at FVTPL) and debt instruments (other than debt instruments measured at FVOCI) are recognized in the Statement of Profit and Loss. Gains and losses in respect of debt instruments measured at FVOCI and that are accumulated in OCI are reclassified to profit or loss on de-recognition.

Impairment of financial assets

In accordance with Ind-AS 109, the group applies Expected Credit Loss ("ECL") model for measurement and recognition of impairment loss on the financial assets measured at amortized cost and debt instruments measured at FVOCI.

Loss allowances on trade receivables are measured following the 'simplified approach' at an amount equal to the lifetime ECL at each reporting date. In respect of other financial assets, the loss allowance is measured at 12 month ECL only if there is no significant deterioration in the credit risk since initial recognition of the asset or asset

Notes to consolidated financial statements for the year ended March 31, 2024 (Contd.)

is determined to have a low credit risk at the reporting date.

2 Financial liabilities

Initial recognition and measurement

Financial liabilities are initially recognized when the group becomes a party to the contractual provisions of the instrument.

A financial liability is initially measured at fair value minus, for an item not at fair value through profit and loss (FVTPL), transaction cost that are directly attributable to its acquisition or issue.

Classification and subsequent measurement

Subsequent measurement is determined with reference to the classification of the respective financial liabilities.

Financial Liabilities at Fair Value through Profit or Loss (FVTPL):

A financial liability is classified as Fair Value through Profit or Loss (FVTPL) if it is classified as held-for trading or is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and changes therein, including any interest expense, are recognized in the Statement of Profit and Loss.

Financial Liabilities at amortized cost: After initial recognition, financial liabilities other than those which are classified as FVTPL are subsequently measured at amortized cost using the effective interest rate ("EIR") method.

Amortized cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. The amortization done using the EIR method is included as finance costs in the Statement of Profit and Loss

Derecognition

A financial liability is derecognized when the obligation under the contract is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective

carrying amounts is recognized in the statement of profit or loss.

Derivative financial instruments

Derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value through statement of profit or loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

f) Investments in subsidiaries and joint ventures:

Investments representing equity interest in subsidiaries and joint ventures carried at cost less any provision for impairment.

Investments are reviewed for impairment at every year end or if events or changes in circumstances indicate that the carrying amount may not be recoverable.

g) Borrowings

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost.

Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in statement of profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are derecognized from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a

Notes to consolidated financial statements for the year ended March 31, 2024 (Contd.)

financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss as other gains/(losses).

Borrowings are classified under current financial liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

h) Borrowing costs

Borrowing costs are interest and other costs that an entity incurs in connection with the borrowing of funds. General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Other borrowing costs are expensed in the period in which they are incurred.

i) Inventories

Inventories comprise of reagents, chemicals, diagnostic kits, medicines and consumables. Inventories are measured at lower of cost (on weighted average basis) and net realizable value after providing for obsolescence and other losses, where considered necessary. Cost comprises the cost of purchase and all other costs attributed to bring the goods to that particular condition and location. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

The Group uses weighted average method to determine cost for all categories of inventories except for goods in transit which is valued specifically identified purchase cost. Cost includes all cost of purchase, and other costs incurred in bringing the inventories to their present

location and condition inclusive of non refundable (adjustable) taxes wherever applicable.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sale. The comparison of cost and net realizable value is made on an item-by-item basis.

j) Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet and cash flow statement includes cash at bank and on hand, deposits held at call with banks, with original maturities less than three months which are readily convertible into cash and which are subject to insignificant risk of changes in value.

k) Provisions, Contingent Liabilities and Contingent Assets

A provision is recognized when the enterprise has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence is confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the group.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent Assets are not recognized till the realisation of the income is virtually certain. However the same are disclosed in the financial statements where an inflow of economic benefit is probable. Contingent liability and contingent asset are reviewed at each balance sheet date.

l) Revenue Recognition

Revenue comprise of revenue from providing healthcare services such as health checkup and laboratory services. Pathology service is the only principal activity and reportable segment from which the group generates its revenue.

Revenue is recognized at an amount that reflects the consideration to which the group expects

Notes to consolidated financial statements for the year ended March 31, 2024 (Contd.)

to be entitled in exchange for transferring the goods or services to a customer i.e. on transfer of control of the service to the customer. Revenue from rendering of services is net of indirect taxes, reversals and discounts;

Revenue is recognized once the testing samples are processed for requisitioned test, to the extent that it is probable that the economic benefits will flow to the group and revenue can be reliably measured.

Revenue is measured based on the consideration specified in a contract with a customer. Revenue is recognized at a point in time when the Company satisfies performance obligations by transferring the promised services to its customers. Generally, each test represents a separate performance obligation for which revenue is recognized when the test report is generated i.e. when the performance obligation is satisfied. For allocating the transaction price, the Company has measured the revenue in respect of each performance obligation of a contract at its relative standalone selling price. The price that is regularly charged for a test when registered separately is the best evidence of its standalone selling price.

Contract liabilities - A contract liability is the obligation to transfer services to a customer for which the group has received consideration from the customer. If a customer pays consideration before the group transfers services to the customer, a contract liability is recognized when the payment is made. Contract liabilities are recognized as revenue when the group performs under the contract.

m) Other income

Interest income

For all financial instruments measured at amortized cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate which exactly discounts the estimated future cash receipts over the expected life of the financial instrument to the gross carrying amount of the financial asset. When calculating the EIR the group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayments, extensions, call and similar options); expected credit losses are considered if the credit risk on that financial instrument has increased significantly since initial recognition

Dividend income

Dividend are recognized in statement of profit and loss on the date on which the group's right to receive payment is established.

n) Employee Benefits

(i) Short-term Employee benefits

Liabilities for wages and salaries, compensated absences, bonus and ex gratia including non-monetary benefits that are expected to be settled wholly within twelve months after the end of the year in which the employees render the related service are classified as short term employee benefits and are recognized as an expense in the Statement of Profit and Loss as the related service is provided.

A liability is recognized for the amount expected to be paid if the group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(ii) Share-based payments

The cost of equity settled transactions is determined by the fair value at the grant date which is based on the Black Scholes model. The grant date fair value of options granted to employees is recognized as an employee expense, with a corresponding increase in equity under "Employee Stock Options Reserve", over the period that the employees become unconditionally entitled to the options.

The expense so determined is recognized over the requisite vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. As at each reporting date, the group revises its estimates of the number of options that are expected to vest, if required.

When the terms of an equity-settled award are modified, in addition to the expense pertaining to the original award, an incremental expense is recognized for any modification that results in additional fair value, or is otherwise beneficial to the employee as measured at the date of modification.

Notes to consolidated financial statements for the year ended March 31, 2024 (Contd.)

(iii) Post-Employment Benefits

Defined Contribution Plans:

A defined contribution plan is a post-employment benefit plan under which a group pays specified contributions to a separate entity and has no obligation to pay any further amounts. The group makes contribution to provident fund in accordance with Employees Provident Fund and Miscellaneous Provisions Act, 1952 and Employee State Insurance. Contribution paid or payable in respect of defined contribution plan is recognized as an expense in the year in which services are rendered by the employee.

Defined Benefit Plans:

The group's gratuity benefit scheme is a defined benefit plan. The liability recognized in the balance sheet in respect of gratuity is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets (being funded portion), together with adjustments for unrecognized actuarial gain losses and past service costs. The defined benefit obligation is calculated at balance sheet date by an independent actuary using the projected unit credit method.

Re-measurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized immediately in other comprehensive income (OCI).

o) Leases

Ind-As 116:

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

Leases are recognized as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the group. Contracts may contain both lease and non-lease components. The group allocates the consideration in the contract to the lease and non-

lease components based on their relative stand-alone prices. However, for leases of real estate for which the group is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- Fixed payments (including in-substance fixed payments), less incentives receivables
- Variable lease payments that are based on an index or a rate, initially measured using the index or rate at the commencement date
- amount expected to be payable by the group under residual value guarantees
- the exercise price of a purchase option if the group is reasonably certain to exercise that option, and
- Payments of penalties for terminating the lease, if the lease term reflects the group exercising that option.

The lease liability is measured at amortized cost using effective interest method. It is remeasured when there is change in assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right of use asset, or is recorded in profit or loss if the carrying amount of the right of use asset has been reduced to zero.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the group:

- where possible, uses recent third-party financing received by the individual lessee as

Notes to consolidated financial statements for the year ended March 31, 2024 (Contd.)

a starting point, adjusted to reflect changes in financing conditions since third party financing was received

- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by Value Ind AS Retail Limited, which does not have recent third party financing, and makes adjustments specific to the lease, e.g. term, country, currency and security.

Variable lease payments that depend on sales are recognized in statement of profit or loss in the period in which the condition that triggers those payments occurs.

The right of use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any incentives received.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of equipment and all leases of low-value assets are recognized on a straight-line basis as an expense in statement of profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office furniture.

The lease liability is presented as a separate line in the statement of financial position. The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made. The group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the lease payments using a discount rate.

- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a discount rate is used).
- a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the lease payments using a discount rate.

The right-of-use assets are presented as a separate line in the statement of financial position. They are subsequently measured at cost less accumulated depreciation and impairment losses.

p) Income-tax

Income tax expense /income comprises current tax expense /income and deferred tax expense /income. It is recognized in statement of profit and loss except to the extent that it relates to items recognized directly in equity or in Other Comprehensive Income, in which case, the tax is also recognized directly in equity or other comprehensive income, respectively.

Current Tax

Current tax comprises of expected tax payable or recoverable on the taxable profit or loss for the year and any adjustment to the tax payable or recoverable in respect of previous years. It is measured at the amount expected to be paid to (or recovered from) the taxation authorities, using the applicable tax rates and tax laws.

- Current tax assets and liabilities are offset only if, the group has a legally enforceable right to set off the recognized amounts; and
- intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred Tax

Deferred Income tax is recognized in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purpose and the amount considered for tax purpose.

Notes to consolidated financial statements for the year ended March 31, 2024 (Contd.)

Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of that deferred tax asset to be utilized, such reductions are reversed when it becomes probable that sufficient taxable profits will be available.

Unrecognized deferred tax assets are reassessed at each reporting date and recognized to the extent that it has become probable that future taxable profits will be available against which they can be recovered.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax assets and liabilities reflects the tax consequences that would follow from the manner in which the group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if:

- i) the entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
- ii) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

Uncertain tax provision

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate. The provision is estimated based on one of two methods, the expected value method (the sum of the probability weighted amounts in a range of possible outcomes) or the single most likely amount method, depending on which is expected to better predict the resolution of the uncertainty.

q) Foreign currency transactions

Functional and Presentation currency
The group's financial statements are prepared in

Indian National Rupees (Rs.) which is also Group's functional currency.

Transactions and balances

Foreign currency transactions are recorded on initial recognition in the functional currency using the exchange rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary items that are measured based on historical cost in a foreign currency are translated using the exchange rate at the date of the initial transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rate at the date the fair value is determined.

Exchange differences arising on the settlement or translation of monetary items are recognized in statement of profit or loss in the year in which they arise except exchange differences arising from the translation of items which are recognized in Other comprehensive income.

r) Dividend

The Group recognizes a liability for any dividend declared when the distribution is authorized by the shareholders in AGM and the distribution is no longer at the discretion of the Group.

The Group recognises a liability for any dividend declared but not distributed at the end of the reporting period, when the distribution is authorized by the shareholders in AGM and the distribution is no longer at the discretion of the Group on or before the end of the reporting period.

s) Earnings per share:

Basic Earnings per share is calculated by dividing the profit or loss for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the profit or loss for the period attributable to the equity shareholders and the weighted average number of equity shares outstanding during the period is adjusted to take into account:

- The after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- Weighted average number of additional equity shares that would have been

Notes to consolidated financial statements for the year ended March 31, 2024 (Contd.)

outstanding assuming the conversion of all dilutive potential equity shares.

t) Segment Reporting

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the chief operating decision maker, in deciding how to allocate resources and assessing performance. The Group's chief operating decision maker is the Managing Director and CEO of the Group. As per IND AS-108, if a financial report contains both the consolidated financial statements of a parent that is within the scope of Ind AS-108 as well as the parent's separate financial statements, segment information is required only in the consolidated financial statements. Accordingly,

information required to be presented under IND AS-108 has been given in the consolidated financial statements.

u) Recent Indian Accounting Standards (Ind AS)

No standards have been issued impacting financial statements of the Company which are effective from April 01, 2024.

v) Rounding off amounts

All amounts disclosed in financial statements and notes have been rounded off to the nearest Lakhs as per the requirement of Schedule III. The transactions and balances with values below the rounding off norms adopted by the group have been reflected as "0.00" in the relevant note to these financial statements.

Notes to consolidated financial statements
 for the year ended March 31, 2024 (Contd.)

3. Property, plant and equipment
Changes in the carrying value of property, plant and equipment for the year ended March 31, 2024:

(Rs. in Lakhs)

Particulars	Freehold land	Building	Leasehold improvement	Furniture & fixtures	Laboratory equipments	Office equipment	Computers	Vehicles	Total
Gross Block (at deemed cost) as at April 01, 2023	1,035.40	6,085.48	1,420.00	2,698.52	10,043.64	2,555.39	2,253.37	440.71	26,532.51
Additions during the year	-	-	1,033.29	48.33	1,454.35	486.44	412.65	17.60	3,452.66
Disposals during the year	-	-	-	-	-	-	-	(4.00)	(4.00)
Exchange differences on translation of foreign operations	-	0.28	(7.65)	(15.68)	(58.15)	(8.14)	(9.03)	(3.05)	(101.42)
Gross Block (at cost) as at March 31, 2024 (A)	1,035.40	6,085.76	2,445.64	2,731.17	11,439.84	3,033.69	2,656.99	451.26	29,879.75
Accumulated depreciation as at April 01, 2023	-	1,618.66	948.21	1,413.54	5,480.80	1,727.07	1,296.50	323.13	12,807.91
Depreciation charged during the year	-	198.99	163.54	114.52	573.10	372.72	209.90	22.28	1,655.05
Disposals during the year	-	-	-	-	-	-	-	(3.27)	(3.27)
Exchange differences on translation of foreign operations	-	(0.36)	0.93	(26.90)	(106.90)	(2.57)	(26.95)	(6.65)	(169.40)
Accumulated depreciation as at March 31, 2024 (B)	-	1,817.29	1,112.68	1,501.16	5,946.99	2,097.22	1,479.45	335.48	14,290.29
Net carrying amount as at March 31, 2024 (A) - (B)	1,035.40	4,268.47	1,332.96	1,230.02	5,492.84	936.47	1,177.53	115.78	15,589.46

Note :

- The group has not revalued any of its property, plant and equipment.
- Details of benami property held:**
 No proceedings have been initiated on or are pending against the Group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.
- Certain assets are under lien against borrowings. (Refer Note 19 and 22 for details)

Changes in the carrying value of property, plant and equipment for the year ended March 31, 2023:

(Rs. in Lakhs)

Particulars	Freehold land	Building	Leasehold improvement	Furniture & fixtures	Laboratory equipments	Office equipment	Computers	Vehicles	Total
Gross Block (at deemed cost) as at April 01, 2022	1,035.40	5,796.86	1,099.89	2,538.62	9,310.02	2,182.59	1,643.62	427.22	24,034.22
Additions during the year	-	299.40	316.74	144.23	695.49	387.84	589.37	17.44	2,450.51
Disposals during the year	-	(0.81)	(0.74)	(3.46)	(16.87)	(8.99)	(1.43)	(1.08)	(33.38)
Exchange differences on translation of foreign operations	-	(9.97)	4.11	19.13	55.00	(6.05)	21.81	(2.87)	81.16
Gross Block as at March 31, 2023 (A)	1,035.40	6,085.48	1,420.00	2,698.52	10,043.64	2,555.39	2,253.37	440.71	26,532.51
Accumulated depreciation as at April 01, 2022	-	1,382.94	795.25	1,158.64	4,293.13	1,343.06	850.24	287.57	10,110.83
Depreciation charged during the year	-	238.20	151.50	234.42	1,117.78	392.90	423.30	36.70	2,594.80

Notes to consolidated financial statements
for the year ended March 31, 2024 (Contd.)

(Rs. in Lakhs)

Particulars	Freehold land	Building	Leasehold improvement	Furniture & fixtures	Laboratory equipments	Office equipment	Computers	Vehicles	Total
Disposals during the year	-	-	-	-	(11.41)	(7.40)	-	(0.42)	(19.23)
Exchange differences on translation of foreign operations	-	(2.49)	1.46	20.49	81.30	(1.49)	22.96	(0.72)	121.51
Accumulated depreciation as at March 31, 2023 (B)	-	1,618.66	948.21	1,413.54	5,480.80	1,727.07	1,296.50	323.13	12,807.91
Net carrying amount as at March 31, 2023 (A) - (B)	1,035.40	4,466.82	471.80	1,284.97	4,562.84	828.32	956.88	117.57	13,724.60

Note :

- The group has not revalued any of its property, plant and equipment.
- Details of benami property held:**
No proceedings have been initiated on or are pending against the group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.
- Certain assets including are under lien against borrowings. (refer footnotes to note 19 and 22 for details)

4. Goodwill and other intangible assets**Changes in the carrying value of intangible assets for the year ended March 31, 2024:**

(Rs. in Lakhs)

Particulars	Other intangible assets						
	Goodwill	Total	Computer Software	Brand name	Customer Relationships	Non compete fees	Total other intangible assets
Gross Block (at cost) as at April 01, 2023	45,743.36	45,743.36	5,343.01	30,842.51	521.04	3,230.19	39,936.76
Additions during the year	-	-	4,694.92	-	-	-	4,694.91
Disposals during the year	-	-	-	-	-	-	-
Exchange differences on translation of foreign operations	-	-	(19.34)	-	-	-	(19.34)
Gross Block (at cost) as at March 31, 2024 (A)	45,743.36	45,743.36	10,018.59	30,842.51	521.04	3,230.19	44,612.33
Accumulated amortization as at April 01, 2023	274.99	274.99	2,543.14	821.43	458.03	580.32	4,402.91
Amortization recognized for the year	-	-	982.28	147.18	41.95	403.53	1,574.94
Disposals during the year	-	-	-	-	-	-	-
Exchange differences on translation of foreign operations	-	-	0.13	-	-	-	0.13
Accumulated amortization as at March 31, 2024 (B)	274.99	274.99	3,525.55	968.61	499.98	983.85	5,977.88
Net carrying amount as at March 31, 2024 (A) - (B)	45,468.37	45,468.37	6,493.04	29,873.90	21.07	2,246.34	38,634.45

Notes to consolidated financial statements
 for the year ended March 31, 2024 (Contd.)

Changes in the carrying value of intangible assets for the year ended March 31, 2023:

(Rs. in Lakhs)

Particulars	Other intangible assets						
	Goodwill	Total	Computer Software	Brand name	Customer Relationships	Non compete fees	Total other intangible assets
Gross Block (at cost) as at April 01, 2022	45,743.36	45,743.36	3,913.75	30,842.51	521.04	3,230.19	38,507.49
Additions during the year	-	-	1,428.74	-	-	-	1,428.74
Disposals during the year	-	-	(0.12)	-	-	-	(0.12)
Exchange differences on translation of foreign operations	-	-	0.64	-	-	-	0.64
Gross Block (at cost) as at March 31, 2023 (A)	45,743.36	45,743.36	5,343.01	30,842.51	521.04	3,230.19	39,936.75
Accumulated amortization as at April 01, 2022	274.99	274.99	1,686.67	675.88	416.02	176.69	2,955.26
Amortization recognized for the year	-	-	858.89	145.55	42.01	403.63	1,450.08
Disposals during the year	-	-	-	-	-	-	-
Exchange differences on translation of foreign operations	-	-	(2.43)	-	-	-	(2.43)
Accumulated amortization as at March 31, 2023 (B)	274.99	274.99	2,543.14	821.43	458.03	580.32	4,402.91
Net carrying amount as at March 31, 2023 (A) - (B)	45,468.37	45,468.37	2,799.87	30,021.08	63.01	2,649.87	35,533.84

Intangible assets under development

(Rs. in Lakhs)

Particulars	Amount
Opening as at April 01, 2022	577.65
Addition	1,373.53
Capitalized during the year	0
Closing amount as at March 31, 2023	1,915.18
Addition	2,743.74
Capitalized during the year	(4,694.92)
Closing amount as at March 31, 2024	0

(a) Intangible Asset under Development (IAUD) Ageing Schedule
Ageing Schedule as at March 31, 2024

(Rs. in Lakhs)

Particulars	Amount in IAUD for a period of				
	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
	-	-	-	-	-

Notes to consolidated financial statements
for the year ended March 31, 2024 (Contd.)

Details of intangible asset under development whose completion is overdue as compared to its original plan as at March 31, 2024

(Rs. in Lakhs)

Particulars	Amount in IAUD for a period of				
	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
CRM implementation Project	-	-	-	-	-
	-	-	-	-	-

Ageing Schedule as at March 31, 2024

(Rs. in Lakhs)

Particulars	Amount in IAUD for a period of				
	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	1,373.53	577.65	-	-	1,951.18
Projects temporarily suspended	-	-	-	-	-
	1,373.53	577.65	-	-	1,951.18

(Rs. in Lakhs)

Particulars	Amount
Projects which have exceeded their original timeline	1,841.18

Details of intangible asset under development whose completion is overdue as compared to its original plan as at March 31, 2023

(Rs. in Lakhs)

Particulars	Amount in IAUD for a period of				
	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
CRM implementation Project	1,263.53	577.65	-	-	1,841.18
	1,263.53	577.65	-	-	1,841.18

- (b) There are no such Intangible assets under development, whose project costs which have exceeded their original plan cost as at March 31, 2024 and as at March 31, 2023.

Impairment

Carrying amount of goodwill which is allocated to the pathology division as at March 31, 2024 is Rs. 45,468.37 Lakhs (March 31, 2023 is Rs.45,468.37 Lakhs). This goodwill is on account of business acquisition and on consolidation of subsidiaries.

For the purpose of impairment testing, goodwill recognized is allocated to the cash generating units (CGU), which benefit from the synergies of the acquisition.

(Rs. in Lakhs)

Entity	March 31, 2024	March 31, 2023
Metropolis Healthcare Limited	4,880.90	4,880.90
Sudharma Metropolis Health Services Private Limited	57.70	57.70
Desai Metropolis Health Services Private Limited	2,010.83	2,010.83
R.V. Metropolis Diagnostic & Health Care Center Private Limited	258.83	258.83
Micron Metropolis Healthcare Private Limited	319.96	319.96
Dr. Patel Metropolis Healthcare Private Limited	90.71	90.71
Raj Metropolis Healthcare Private Limited	30.37	30.37
Lab One Metropolis Healthcare Services Private Limited	278.31	278.31
Metropolis Bramser Lab Services (Mtius) Limited	0.06	0.06
Metropolis Healthcare Ghana Limited	41.76	41.76
Metropolis Healthcare (Mauritius) Limited	1.80	1.80
Metropolis Star Lab Kenya Limited	271.75	271.75
Amins Pathology Laboratory Private Limited	588.20	588.20

**Notes to consolidated financial statements
 for the year ended March 31, 2024 (Contd.)**

(Rs. in Lakhs)

Entity	March 31, 2024	March 31, 2023
Ekopath Metropolis Lab Services Private Limited	44.04	44.04
Bokil Golwilkar Metropolis Healthcare Private Limited	147.55	147.55
Dr. Ganesan's Hitech Diagonostic Centre Private Limited	36,445.60	36,445.60
Total	45,468.37	45,468.37

The recoverable amount of a CGU is based on its value in use. The value in use is estimated using discounted cash flows over a period of 5 years. We believe 5 years to be most appropriate time scale over which to review and consider annual performance before applying a fix terminal value multiple to year end cash flow.

Operating margins and growth rates for the five year cash flow projections have been estimated based on past experience and after considering the financial budgets/ forecasts approved by management. Other key assumptions used in the estimation of the recoverable amount are set out below. The values assigned to the key assumptions represent management's assessment of future trends in the relevant industries and have been based on historical data from both external and internal sources.

Key assumptions used in the value-in-use calculations

Assumptions	How determined
Budgeted EBITDA growth rate*	Budgeted EBITDA has been based on past experience adjusted for the following: - Revenue in the diagnostic service is expected to grow on account of changing lifestyle and food habit. Revenue and Budgeted EBIDTA are factored by focused approach towards B2C division, network expansion , operational efficiencies and automation.
Terminal value growth rate	Long-term growth rate used for the purpose of calculation of terminal value has been determined by taking into account nature of business , long term inflation expectation and long term GDP expectation for the Indian economy
Post tax risk adjusted discount rate	The discount rate applied to the cash flows of each of the Group's operations is generally based on the risk free rate for ten year bonds issued by the government in India. These rates are adjusted for a risk premium to reflect both the increased risk of investing in equities and the systematic risk of of the Group.

* EBITDA stands for Earnings Before Interest, Taxes, Depreciation, and Amortization

(Rs. in Lakhs)

Particulars	March 31, 2024	March 31, 2023
Post tax risk adjusted discount rate	12.1%-27%	12.4%-27%
Terminal value growth rate	5.00%	5.00%
Budgeted EBITDA growth rate	1% - 43%	2% - 45%

These assumptions are reviewed annually as part of management's budgeting and strategic planning cycles. These estimates may differ from actual results. The values assigned to each of the key assumptions reflect the Management's past experience as their assessment of future trends, and are consistent with external / internal sources of information.

As at March 31, 2024 and as at March 31, 2023, the estimated receivable amount of CGU exceeds its carrying amount and accordingly , no impairment was recognized.

The Group has also performed sensitivity analysis calculations on the projections used and discount rate applied. Given the headroom that exists, and the results of the sensitivity analysis performed, it is concluded that there is no significant risk that reasonable changes in any key assumptions would cause the carrying value of goodwill to exceed its value in use.

5. Non-current investments

(Rs. in Lakhs)

	March 31, 2024	March 31, 2023
Unquoted equity shares at Fair Value through Other comprehensive income		
Centre for Digestive and Kidney Disease Private Limited	175.00	175.00
1,750,000 (March 31, 2023: 1,750,000) Equity shares (Face value of Rs 10 each fully paid up)		
Textiles Traders Co-operative Bank Limited	0.28	0.28

Notes to consolidated financial statements
for the year ended March 31, 2024 (Contd.)

(Rs. in Lakhs)

	March 31, 2024	March 31, 2023
1,100 (March 31, 2023: 1,100) Equity shares (Face value of Rs 25 each fully paid up)		
Unquoted equity shares at cost		
Star Metropolis Health Services Middle East LLC, Dubai	129.85	129.85
1,020 (March 31, 2023: 1,020) Equity shares of AED of 1,000 each (Fully Paid up) (Refer note 53)		
Total	305.13	305.13
Less : Provision for impairment - Star Metropolis Health Services Middle East LLC, Dubai	(129.85)	(129.85)
Total	175.28	175.28
The aggregate amount and market value of quoted and unquoted non-current investments are as follows:		
Aggregate amount of unquoted investments	305.13	305.13
Aggregate amount of impairment in value of investments	129.85	129.85
Note 6		
Less : Provision for impairment - Star Metropolis Health Services Middle East LLC, Dubai (Refer note 46)		
Total Investment in Others	175.28	175.28
The aggregate amount and market value of quoted and unquoted non-current investments are as follows:		
Aggregate amount of unquoted investments	175.28	175.28
Aggregate amount of impairment in value of investments	-	-

6. Other non-current financial assets

(Rs. in Lakhs)

	March 31, 2024	March 31, 2023
<i>(Unsecured, considered good)</i>		
Security deposits	1,964.59	1,419.03
Fixed deposits with banks [^] (with remaining maturity of more than 12 months)	511.99	104.71
Other advances	-	140.04
	2,476.58	1,663.78
<i>(Unsecured, considered doubtful)</i>		
Security deposits	96.36	78.26
Other advances	97.75	79.39
	194.11	157.66
Less : Allowance for credit impairment	(194.11)	(157.66)
Total	2,476.58	1,663.78

[^] Includes Rs. 92.57 Lakhs (March 31, 2023 Rs.94.80 Lakhs) of fixed deposits pledged against bank guarantee.

The movement in allowance for credit impairment is as follows:

(Rs. in Lakhs)

	March 31, 2024	March 31, 2023
Opening balance	157.66	86.28
Change in allowance for credit impairment of security deposits during the year	36.45	71.38
Written off during the year	-	-
Closing balance	194.11	157.66

**Notes to consolidated financial statements
 for the year ended March 31, 2024 (Contd.)**
7. Non-current tax assets (net)

(Rs. in Lakhs)

	March 31, 2024	March 31, 2023
Advance taxes (net of provision for taxes Rs. 17,117.12 Lakhs (March 31, 2023: Rs. 17,762.87 Lakhs)	2,574.11	3,169.53
Withholding Tax	183.19	117.24
Total	2,757.30	3,286.77

8. Other non-current assets

(Rs. in Lakhs)

	March 31, 2024	March 31, 2023
<i>(Unsecured, considered good)</i>		
Capital advances	33.70	27.03
Prepaid expenses	10.63	27.03
	44.33	54.06
<i>(Unsecured, considered doubtful)</i>		
Capital advances		
- credit impaired	68.98	34.86
	68.98	34.86
Less : Allowance for credit impairment	(68.98)	(34.86)
Total	44.33	54.06

The movement in allowance for credit impairment is as follows:

(Rs. in Lakhs)

	March 31, 2024	March 31, 2023
Opening balance	34.86	34.86
Change in allowance for credit impairment of capital advances during the year	34.12	-
Written off during the year	-	-
Closing balance	68.98	34.86

9. Inventories

(Rs. in Lakhs)

	March 31, 2024	March 31, 2023
<i>(valued at lower of cost and net realizable value)</i>		
Raw materials (Reagents, chemicals, diagnostic kits, medicines and consumables etc.)	3,867.92	4,444.38
Stock-in-trade	1.44	14.75
Total	3,869.36	4,459.13

- (a) There are no goods in transit as at March 31, 2024 and March 31, 2023. During the year, the Group has recognized Rs. 100 Lakhs (March 31, 2023 Rs.106.73 Lakhs) as an expense towards expired stocks.
- (b) Certain inventories are under lien against borrowings. (refer footnotes to note 19 and 22 for details).

10. Current Investments

(Rs. in Lakhs)

	March 31, 2024	March 31, 2023
(Quoted at Fair Value through Profit or Loss)		
i) Investments in mutual funds		
Aditya Birla Sun Life Overnight fund growth - Regular Plan - 277,933.80 (March 31, 2023 - 108,141.59) Units of Face Value Rs.1000 each	3,576.74	1,304.40
Aditya Birla Sun Life Liquid fund growth - Regular Plan - 14.945 (March 31, 2023 - 14.945) Units of Face Value Rs.100 each	0.06	0.05

Notes to consolidated financial statements for the year ended March 31, 2024 (Contd.)

(Rs. in Lakhs)

	March 31, 2024	March 31, 2023
HDFC Overnight fund - Regular Plan - Growth - 44.431 (March 31, 2023 - 44.431) Units of Face Value Rs.1000 each	1.58	1.49
HDFC Liquid fund - Regular Plan - Growth - 1.225 (March 31, 2023 - 1.225) Units of Face Value Rs.1000 each	0.06	0.05
ICICI Liquid fund - Regular Plan - Growth - 16.243 (March 31, 2023 - 16.243) Units of Face Value Rs.100 each	0.06	0.05
SBI Overnight fund - Regular Plan - Growth - 1.484 (March 31, 2023 - 1.484) Units of Face Value Rs.1000 each	0.06	0.05
SBI Liquid fund - Regular Plan - Growth - 46158.090 (March 31, 2023 - 1.537) Units of Face Value Rs.1000 each	1,728.93	0.05
	5,307.49	1,306.14

ii) Investments in Commercial Papers

(Rs. in Lakhs)

	March 31, 2024	March 31, 2023
Infrastructure Leasing & Financial Services Limited 100 (March 31, 2023 - 100) Units of Face Value Rs. 500,000 each	480.68	480.68
	480.68	480.68
Less : Provision for impairment	(480.68)	(480.68)
Total	5,307.49	1,306.14

The aggregate amount and market value of quoted and unquoted investments are as follows:

(Rs. in Lakhs)

	March 31, 2024	March 31, 2023
Aggregate amount of quoted investments	5,788.17	1,786.82
Aggregate market value of quoted investments	-	-
Aggregate amount of unquoted investments	-	-
Aggregate amount of impairment in value of investments	480.68	480.68

11. Trade receivables

(Rs. in Lakhs)

	March 31, 2024	March 31, 2023
Trade receivables considered good- Secured	-	-
Trade receivables considered good- Unsecured	14,604.64	13,205.70
Less: Allowance for expected credit loss	(1,966.65)	(1,016.94)
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	1,151.30	981.71
Less: Allowance for credit impairment	(1,161.17)	(981.71)
	12,628.12	12,188.76
Total	12,628.12	12,188.76

- The Group provides pathology services to related parties on need basis. These transactions are on the same terms and conditions as those entered with other customers.
- 'No trade or other receivable are due from directors or other officers of the Group either severally or jointly with any other person. Nor any trade or other receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.
- As at March 31, 2024, there are certain proceeds from exporting diagnostic services to certain overseas customer that have not been repatriated back into India within the stipulated timeframe as prescribed by the Reserve Bank of India (RBI) Master Direction on reporting and realization of export proceeds, including due to circumstances beyond the Group's control. The Group has duly applied to its Authorised Dealer (AD) bank for an extension of time period to repatriate the outstanding export proceeds. The Group is actively engaged with the AD bank to ensure compliance with RBI regulations and to facilitate the repatriation of the export proceeds at the earliest. The Group does not consider any material impact in respect of the above on the financial position or performance of the Company.

**Notes to consolidated financial statements
 for the year ended March 31, 2024 (Contd.)**

The movement in allowance for expected credit loss and credit impairment is as follows:

(Rs. in Lakhs)

	March 31, 2024	March 31, 2023
Opening balance	1,998.65	2,392.32
Change in allowance for expected credit loss and credit impairment during the year	1,135.23	-217.22
Written off during the year	-6.06	-176.45
Closing balance	3,127.82	1,998.65

Trade receivables Ageing Schedule
As at March 31, 2024

(Rs. in Lakhs)

Particulars	Current	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables – considered good	5,166.04	6,148.38	1,660.82	654.82	974.58	-	14,604.64
Undisputed trade receivables which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables - credit impaired	33.81	4.54	18.50	122.27	-	972.18	1,151.30
Disputed trade receivables - considered good	-	-	-	-	-	-	-
Disputed trade receivables which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	-	-
Total (A)	5,199.85	6,152.92	1,679.32	777.09	974.58	972.18	15,755.94
Allowance for expected credit loss	(261.35)	(380.33)	(924.10)	(210.03)	(1,129.73)	(5.56)	1,966.65
Allowance for credit impairment							1,161.17
Total (B)							3,127.82
Total (A) - (B)							12,628.12

As at March 31, 2023

(Rs. in Lakhs)

Particulars	Current	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables – considered good	3,711.52	5,929.25	841.82	1,277.63	387.92	307.10	13,205.70
Undisputed trade receivables which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables - credit impaired	27.81	8.02	27.58	5.71	183.95	744.24	981.71
Disputed trade receivables - considered good	-	-	-	-	-	-	-
Disputed trade receivables which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	-	-

Notes to consolidated financial statements
for the year ended March 31, 2024 (Contd.)

Particulars	Current	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
		(Rs. in Lakhs)					
Total (A)	3,739.32	5,937.27	869.40	1,283.34	571.87	1,051.34	14,187.41
Allowance for expected credit loss							1,016.94
Allowance for credit impairment							981.71
Total (B)							1,998.65
Total (A) - (B)							12,188.76

12. Cash and cash equivalents

	(Rs. in Lakhs)	
	March 31, 2024	March 31, 2023
Cash on hand	124.65	123.92
Balances with banks		
- in current accounts	5,503.62	4,768.16
- in EEFC account	37.86	2.99
- in fixed deposits accounts with original maturity of less than 3 months	595.70	1,988.25
Total	6,261.83	6,883.32

13. Bank balances other than cash and cash equivalents

	(Rs. in Lakhs)	
	March 31, 2024	March 31, 2023
Investments in term deposits (with original maturity of more than three months but less than twelve months) *	824.94	2,388.58
Other bank balance (other than above)	34.78	47.56
Total	859.72	2,436.14

* Includes Rs. Nil (March 31, 2023: Rs. 1218.61 Lakhs) fixed deposits pledged against bank guarantee

Note 14

14. Loans

	(Rs. in Lakhs)	
	March 31, 2024	March 31, 2023
Advances to related parties (Refer note 39)	44.00	44.02
Other advances	-	42.33
	44.00	86.35
Less : Provision for advances having significant increase in credit risk	-	-
Less : Allowance for credit impairment	(44.00)	(86.35)
Total	-	-

The movement in allowance for credit impairment is as follows:

	(Rs. in Lakhs)	
	March 31, 2024	March 31, 2023
Opening balance	86.35	88.91
Change in allowance for credit impairment during the year	(42.35)	(2.56)
Written off during the year	-	-
Closing balance	44.00	86.35

Notes to consolidated financial statements
 for the year ended March 31, 2024 (Contd.)

15. Other financial assets

(Rs. in Lakhs)

	March 31, 2024	March 31, 2023
<i>(Unsecured, considered good)</i>		
Security deposits	583.57	978.79
Interest accrued but not due		
- From bank deposits	19.98	-
Other receivables	24.90	426.81
Total	628.45	1,405.60

16. Other current assets

(Rs. in Lakhs)

	March 31, 2024	March 31, 2023
<i>(Unsecured, considered good)</i>		
Prepaid expenses	700.55	511.88
Advance to employees	122.48	72.38
Advance to suppliers	408.22	530.61
Balances with government Authorities	62.69	94.03
Other advances (Retainership fees, etc)	734.06	385.45
	2,028.00	1,594.35
<i>(Unsecured, considered doubtful)</i>		
Advance to employees	2.62	3.90
Advance to suppliers	61.77	40.13
Other advances	-	2.29
	64.39	46.32
Less : Allowance for credit impairment	(64.39)	(46.32)
Total	2,028.00	1,594.35

The movement in allowance for credit impairment is as follows:

(Rs. in Lakhs)

	March 31, 2024	March 31, 2023
Opening Balance	46.32	340.68
Change in allowance for credit impairment during the year	18.07	(294.36)
Written off during the year	-	-
Closing Balance	64.39	46.32

17. Equity Share Capital
(a) Authorized share capital

(Rs. in Lakhs)

Particulars	March 31, 2024		March 31, 2023	
	Number of equity shares	Amount (Rs in Lakhs)	Number of equity shares	Amount (Rs in Lakhs)
Equity shares of the par value of Rs. 2 each (March 31, 2022 par value of Rs 2 each)	31,93,04,015	6,386.08	31,93,04,015	6,386.08
	31,93,04,015	6,386.08	31,93,04,015	6,386.08

(b) Issued, subscribed and paid up

Particulars	March 31, 2024		March 31, 2023	
	Number of equity shares	Amount (Rs in Lakhs)	Number of equity shares	Amount (Rs in Lakhs)
Equity shares of the par value of Rs. 2 each (March 31, 2022 par value of Rs 2 each)	5,12,26,861	1,024.54	5,12,10,664	1,024.21
	5,12,26,861	1,024.54	5,12,10,664	1,024.21

Notes to consolidated financial statements
for the year ended March 31, 2024 (Contd.)

(c) Reconciliation of number of shares outstanding at the beginning and end of the year:

(Rs. in Lakhs)

Particulars	March 31, 2024		March 31, 2023	
	Number of equity shares	Amount (Rs in Lakhs)	Number of equity shares	Amount (Rs in Lakhs)
Equity :				
Outstanding at the beginning of the year	5,12,10,664.00	1,024.21	5,11,72,119	1,023.44
Issued under Metropolis Employee Stock Option Scheme 2015 and Metropolis Restrictive Stock Unit Plan, 2020 (Refer note 47 (c))	16,197.00	0.33	38,545	0.77
Outstanding at the end of the year	5,12,26,861	1,024.54	5,12,10,664	1,024.21

(d) Details of shareholders holding more than 5% of the aggregate equity shares in the Company:

(Rs. in Lakhs)

Name of the shareholders	March 31, 2024		March 31, 2023	
	Number	Percentage	Number	Percentage
Dr. Sushil Kanubhai Shah #	38,75,245	7.56%	38,75,245	7.57%
UTI Flexi Cap Fund	35,80,371	6.99%	35,80,371	6.99%
Metz Advisory LLP ##	1,56,91,216	30.63%	1,56,91,216	30.64%
Dr. Duru Sushil Shah	57,29,685	11.18%	57,29,685	11.19%

Includes five Equity Shares each held by Mayur Shah (jointly with Meera Shah) and Dr. Nilesh Shah as nominees of Dr. Sushil Kanubhai Shah

Includes five Equity Shares held by Ameera Sushil Shah as nominee of Metz Advisory LLP

(e) Details of shares held by promoters

As at March 31, 2024

(Rs. in Lakhs)

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Sushil Kanubhai Shah	13,17,058	-	13,17,058	2.57%	0.00%
Ameera Sushil Shah	1,81,845	-	1,81,845	0.35%	0.00%
Duru Shah Family Trust	49,64,026	-	49,64,026	9.69%	0.00%
Sushil Shah Family Trust	25,58,187	-	25,58,187	4.99%	0.00%
Duru Sushil Shah	7,65,659	-	7,65,659	1.49%	0.00%
Metz Advisory LLP	1,56,91,216	-	1,56,91,216	30.63%	0.00%
Total	2,54,77,991	-	2,54,77,991	49.72%	

As at March 31, 2023

(Rs. in Lakhs)

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Sushil Kanubhai Shah	25,97,325	(12,80,267)	13,17,058	2.57%	(49.29%)
Ameera Sushil Shah	1,81,845	-	1,81,845	0.36%	0.00%
Duru Shah Family Trust	36,83,760	12,80,266	49,64,026	9.69%	34.75%
Sushil Shah Family Trust	12,77,920	12,80,267	25,58,187	5.00%	100.18%
Duru Sushil Shah	20,45,925	(12,80,266)	7,65,659	1.50%	(62.58%)
Metz Advisory LLP	1,56,91,216	-	1,56,91,216	30.64%	0.00%
Total	2,54,77,991	-	2,54,77,991	49.75%	

**Notes to consolidated financial statements
 for the year ended March 31, 2024 (Contd.)**
(f) Terms/rights attached to equity shares :

The Holding Company has only one class of Equity shares having a par value of Rs. 2 per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend, if proposed by the Board of Directors, will be subject to the approval of the shareholders in the ensuing Annual General Meeting except interim dividend. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(f) The Company has not issued any bonus shares or shares for consideration other than cash and has not bought back any shares during the period of five years immediately proceeding the reporting date.

(g) Dividends

	(Rs. in Lakhs)	
Particulars	March 31, 2024	March 31, 2023
Declared during the year		
Interim dividend for 2023-24: Rs.4 per equity share (2022-23: Rs 8 per equity share)	(2,048.95)	(4,096.85)
	(2,048.95)	(4,096.85)

(h) Shares reserved for issue under options:

For details of shares reserved for issue under the employee stock option (ESOP) plan of the Company. Refer note 48(c).

18. Other Equity

	(Rs. in Lakhs)	
	March 31, 2024	March 31, 2023
Securities premium	15,657.76	15,657.75
Capital redemption reserve	0.33	0.33
General reserve	2,944.04	2,840.36
Capital reserve	69.13	69.13
Employee stock options reserve	772.70	734.74
Share application money pending allotment	0.07	
Retained earnings	88,802.33	78,235.64
Foreign currency translation reserve	344.47	261.07
Total	1,08,590.83	97,799.02
Movement in balances of Other equity:		
Securities Premium		
Balance as at the beginning of the year	15,657.76	15,640.16
Share options exercised under Metropolis Employee Stock Option Scheme 2007/2015 (Refer note 47 (c))	-	17.59
Balance as at the end of the year	15,657.76	15,657.75
Capital redemption reserve		
Balance as at the beginning of the year	0.33	0.33
Utilized on issue of bonus shares	-	-
Balance as at the end of the year	0.33	0.33
General reserve		
Balance as at the beginning of the year	2,840.36	2,367.09
Transfer from ESOP exercised during the year (Refer note 47 (c))	103.68	473.27
Balance as at the end of the year	2,944.04	2,840.36
Capital reserve		

Notes to consolidated financial statements
for the year ended March 31, 2024 (Contd.)

(Rs. in Lakhs)

	March 31, 2024	March 31, 2023
Balance as at the beginning of the year	69.13	69.13
Additions/Reductions during the year	-	-
Balance as at the end of the year	69.13	69.13
Employee stock options reserve		
Balance as at the beginning of the year	734.74	1,179.50
Transfer to General Reserve on account of ESOP exercised during the year (Refer note 47 (c))	(103.68)	(473.27)
Share based payments (Refer note 31)	141.64	28.51
Balance as at the end of the year	772.70	734.74
Retained earnings		
Balance as at the beginning of the year	78,235.64	68,208.81
Add: Transferred from the statement of profit and loss	12,781.36	14,288.25
Less: Interim Dividend	(2,048.95)	(4,096.85)
Remeasurement of defined benefit plan (net of tax)	(165.72)	(164.58)
Balance as at the end of the year	88,802.33	78,235.64
Other comprehensive Income-		
(i) Foreign currency translation reserve		
Balance as at the beginning of the year	261.07	131.33
Exchange differences in translating financial statements of foreign operations	83.40	129.74
Balance as at the end of the year	344.47	261.07

Nature and purpose of reserves

Securities Premium

The amount received in excess of face value of the equity shares is recognized in Securities Premium. It can be used to issue bonus shares, to purchase of its own shares, to provide for premium on redemption of shares or debentures, write-off equity related expenses like underwriting costs, etc.

Capital redemption reserve

As per Companies Act, 2013, capital redemption reserve is created when company purchases its own shares out of free reserves or securities premium. A sum equal to the nominal value of the shares so purchased is transferred to capital redemption reserve. The reserve is to be utilized in accordance with the provisions of section 69 of the Companies Act, 2013.

General reserve

General Reserve is free reserve which is created by transferring funds from retained earnings to meet future obligations or purposes.

Capital reserve

It represents the excess of net assets taken, over the cost of consideration paid in business combination transaction.

Employee stock options reserve

The Group has established equity settled share based payment plan for certain categories of employees. (Refer note 47 (c))

Retained Earnings

Retained earnings are the profits that the Group has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained Earnings is a free reserve available to the Group.

Foreign currency translation reserve

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign subsidiaries.

Notes to consolidated financial statements
 for the year ended March 31, 2024 (Contd.)

19. Non-current borrowings

(Rs. in Lakhs)

	March 31, 2024	March 31, 2023
Secured		
Term loans from banks	61.35	2,861.42
Total	61.35	2,861.42

Notes:

- (i) Term loan from a bank amounting to Rs. 15,000 Lakhs is secured through first charge by way of pledge on 30% shares of Dr. Ganesan's Hitech Diagnostic Centre Limited (now merged with Metropolis Healthcare Limited) and 30% shares of Desai Metropolis Health Services Private Limited (now merged with Metropolis Healthcare Limited). The Term loan was repayable in 36 equal monthly instalments with October 21, 2024 as maturity date with an interest rate as agreed with the bank. The loan has been prepaid during the year & there is no outstanding as on March 31, 2024. Rate of interest for the year ended March 31, 2024 is 7.49% (March 31, 2023: 7.24%).
- (ii) Quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.

20. Other non-current financial liabilities

(Rs. in Lakhs)

	March 31, 2024	March 31, 2023
Deferred purchase consideration payable	-	54.95
Total	-	54.95

21. Provisions
21A Non-Current

(Rs. in Lakhs)

	March 31, 2024	March 31, 2023
Provision for employee benefits		
- Gratuity (Refer note 47 (a))	1,579.52	1,302.02
Total	1,579.52	1,302.02

21B Current

(Rs. in Lakhs)

	March 31, 2024	March 31, 2023
Provision for employee benefits		
- Gratuity (Refer note 47 (a))	1,014.33	932.96
- Compensated absences	33.26	25.70
Total	1,047.59	958.66

22. Current borrowings

(Rs. in Lakhs)

	March 31, 2024	March 31, 2023
Secured		
Term loans from banks	-	5,043.81
Total	-	5,043.81

Notes:

- (i) Term loan from a bank amounting to Rs. 15,000 Lakhs is secured through first charge by way of pledge on 30% shares of Dr. Ganesan's Hitech Diagnostic Centre Limited (now merged with Metropolis Healthcare Limited) and 30% shares of Desai Metropolis Health Services Private Limited (now merged with Metropolis Healthcare Limited). The Term loan is repayable in 36 equal monthly instalments with October 21, 2024 as maturity date with an interest rate as agreed with the

Notes to consolidated financial statements for the year ended March 31, 2024 (Contd.)

bank. The loan has been prepaid during the year & there is no outstanding as on March 31, 2024. Rate of interest for the year ended March 31, 2024 is 7.49% (March 31, 2023: 7.24%).

- (ii) Quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.
- (iii) The Holding Company had availed cash credit facility from HDFC Bank, which was secured by charge over stock in trade and book debts of the Company and interest is chargeable as approved by the Bank. However, same is unutilized as on March 31, 2024.

23. Trade payables

(Rs. in Lakhs)

	March 31, 2024	March 31, 2023
Total outstanding due to micro enterprises and small enterprises (Refer note 23.1)	26.24	184.26
Total outstanding dues of creditors other than micro enterprises and small enterprises*	9,917.74	9,223.93
Total	9,943.98	9,408.19

Ageing for trade payables from the due date of payment for each of the category as at March 31, 2024

As at March 31, 2024

(Rs. in Lakhs)

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
Undisputed dues of micro enterprises and small enterprises	26.24	-	-	-	26.24
Undisputed dues of creditors other than micro enterprises and small enterprises	8,796.67	770.40	156.24	194.66	9,917.97
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
Total	8,822.90	770.40	156.24	194.66	9,944.21

As at March 31, 2023

(Rs. in Lakhs)

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
Undisputed dues of micro enterprises and small enterprises	183.60	0.16	0.04	0.46	184.26
Undisputed dues of creditors other than micro enterprises and small enterprises	8,488.26	310.55	283.48	141.64	9,223.93
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
Total	8,671.85	310.71	283.52	142.10	9,408.19

23.1 Micro and small enterprises

This information has been determined to the extent such parties have been identified on the basis of information available with the Group

(Rs. in Lakhs)

	March 31, 2024	March 31, 2023
a. Principal amount remaining unpaid to any supplier as at the year end	26.24	184.26
b. Amount of Interest paid during the year	-	-

**Notes to consolidated financial statements
 for the year ended March 31, 2024 (Contd.)**

(Rs. in Lakhs)

	March 31, 2024	March 31, 2023
c. Amount of payments made to the supplier beyond the appointed day during the accounting year.	-	-
d. Amount of Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act,2006)	-	-
e. Amount of Interest accrued and remaining unpaid at the end of the accounting year.	-	0.26
f. The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under the MSMED Act 2006	-	-

24. Other current financial liabilities

(Rs. in Lakhs)

Particulars	March 31, 2024	March 31, 2023
Interest accrued and due on borrowings	-	-
Employee related dues	1,066.62	1,112.18
Payable towards capital expenditure	397.14	536.06
Related party Payable	-	-
Payable towards acquisition of business (refer note 41)	137.99	142.43
Security deposits	143.29	92.50
Others (unspent CSR liability, etc)	22.84	129.12
Total	1,767.88	2,012.29

25. Other current liabilities

(Rs. in Lakhs)

Particulars	March 31, 2024	March 31, 2023
Statutory dues#	803.88	421.15
Advances from customers (Refer Note 46(a))	1,472.59	1,404.61
Deferred revenue	64.15	67.32
Other payable*	60.17	63.27
Total	2,400.79	1,956.35

Statutory dues payable include Tax Deducted at Source, Provident Fund, Professional tax and Others

* Other payable include payable to CA Lotus and Sushil Shah on account of refund of additional filing fee received from SEBI

26. Current tax liabilities (net)

(Rs. in Lakhs)

Particulars	March 31, 2024	March 31, 2023
Provision for taxation (net of advance tax: March 31, 2024: Rs.2960.33 Lakhs ,{March 31, 2023: Rs. 3,786.36 Lakhs})	1,627.51	934.70
Total	1,627.51	934.70

27. Revenue from operations

(Rs. in Lakhs)

Particulars	March 31, 2024	March 31, 2023
Revenue from Healthcare Services		
Service income (Refer note 46)	1,20,581.67	1,14,477.00
Sale of traded goods (Refer note 46)	189.21	344.02
Total	1,20,770.88	1,14,821.02

Notes to consolidated financial statements for the year ended March 31, 2024 (Contd.)

28. Other income

(Rs. in Lakhs)

Particulars	March 31, 2024	March 31, 2023
Interest Income		
- from banks	211.42	320.80
- on income tax refund	0.96	55.71
- others (Interest income on deposits)	113.87	194.27
Other Non-Operating Income		
- Fair value gain on mutual funds measured at FVTPL	18.08	67.81
- Net gain on redemption of mutual fund investments	97.53	-
- Profit on sale of property, plant and equipment (net)	-	0.77
- Foreign exchange gain (net)	105.09	430.84
- Sundry balances written back (net)	289.04	-
- Miscellaneous income	75.71	452.26
Total	911.70	1,522.46

29. Cost of material consumed

(Rs. in Lakhs)

Particulars	March 31, 2024	March 31, 2023
Opening stock (Refer note 9)	4,459.12	5,075.31
Add: Purchase of traded goods	151.22	224.90
Add: Purchases of raw materials	23,515.91	24,485.32
	28,126.25	29,785.53
Less: Closing stock (Refer note 9)	(3,869.36)	(4,459.13)
Total	24,256.89	25,326.40

30. Laboratory testing charges

(Rs. in Lakhs)

Particulars	March 31, 2024	March 31, 2023
Laboratory testing charges	1,357.68	657.09
Total	1,357.68	657.09

31. Employee benefits expense

(Rs. in Lakhs)

Particulars	March 31, 2024	March 31, 2023
Salaries, wages and bonus	24,521.13	22,494.56
Gratuity expenses (Refer note 47 (a))	381.57	336.66
Contribution to provident and other funds (Refer note 47 (b))	1,590.99	1,461.27
Share based payment expenses (Refer note 47 (c)) *	141.64	28.51
Staff welfare expenses	943.02	952.41
Total	27,578.35	25,273.41

*During the year ended March 31, 2024, total expense of Rs 237.27 Lakhs (March 31, 2023 Rs. 28.51 Lakhs) includes reversals due to lapsed options amounting to Rs. 325.54 Lakhs (March 31, 2023 Rs.712.05 Lakhs).

32. Finance costs

(Rs. in Lakhs)

Particulars	March 31, 2024	March 31, 2023
Interest on borrowings	388.92	1,010.96
Interest on long term loan	-	0.58
Interest on deferred purchase consideration measured at amortized cost (Refer Note 41)	5.61	9.92
Interest on lease liabilities (Refer note 37)	1,859.05	1,658.68
Total	2,253.58	2,680.15

Notes to consolidated financial statements
 for the year ended March 31, 2024 (Contd.)

33. Depreciation and amortization expense

(Rs. in Lakhs)

Particulars	March 31, 2024	March 31, 2023
Depreciation on property, plant and equipment (Refer note 3)	1,655.05	2,594.80
Amortization on intangible assets (Refer note 4)	1,575.11	1,450.08
Amortization of right-of-use asset (Refer note 37)	6,216.62	4,876.68
Total	9,446.78	8,921.56

34. Other expenses

(Rs. in Lakhs)

Particulars	March 31, 2024	March 31, 2023
Accreditation expenses	203.04	168.14
Waste disposal charges	-	2.32
Laboratory expenses	254.70	217.36
Power and fuel	1,619.56	1,442.77
Rent (Refer note 37)	10,525.94	9,409.99
<u>Repairs and maintenance</u>		
Buildings	38.68	28.47
Plant and equipment	2,392.10	1,757.39
Others	299.78	293.35
Insurance	332.02	298.81
Rates and taxes	166.20	105.68
Bank charges	535.57	504.90
Sample Collection Charges	59.38	6.36
Legal and professional fees	7,471.73	7,384.95
Travelling and conveyance	1,316.37	1,167.11
Printing and stationery	851.40	754.16
Provision for bad and doubtful debts (net)	1,131.57	(223.61)
Provision for doubtful advances (net)	219.77	-
Credit impaired trade receivables written off	3.66	6.39
Postage and courier	4,818.04	4,917.98
Communication expenses	491.41	471.41
Advertisement and sales promotion expenses	3,277.38	2,615.55
Facility maintenance charges	1,305.79	1,528.91
Payments to auditors (Refer note 45)	162.36	170.70
Corporate social responsibility expenses (Refer note 51)	506.56	513.83
Directors' sitting fee & commission (Refer note 39)	60.77	78.86
Computer expenses	-	6.62
Office expenses	-	65.24
Foreign exchange loss (net)	700.79	449.21
Security charges	1.36	1.03
Miscellaneous expenses	574.48	577.15
Write-off of property, plant and equipment	-	13.50
Total	39,320.41	34,734.53

Notes to consolidated financial statements
for the year ended March 31, 2024 (Contd.)

35. Income taxes

i. Tax expense recognized in Profit and Loss:

(Rs. in Lakhs)

Particulars	March 31, 2024	March 31, 2023
Current tax expense		
Current year	4,966.99	5,127.43
Tax adjustments for earlier years	(6.09)	(258.40)
Total (A)	4,960.90	4,869.03
Deferred tax expense		
Relating to addition & reversal of temporary differences	(337.57)	(458.09)
Total (B)	(337.57)	(458.09)
Total (A+B)	4,623.33	4,410.94

ii. Tax charge recognized in Other Comprehensive Income

(Rs. in Lakhs)

Particulars	March 31, 2024		
	Before tax	Tax (expense)/ benefit	Net of tax
Items that will not be reclassified to statement of profit or loss			
Remeasurements of the defined benefit plans	(221.45)	55.73	(165.72)
Items that will subsequently be reclassified to statement of profit or loss			
Exchange differences in translating financial statements of foreign operations	83.40	-	83.40
Total tax charge recognized directly to Other Comprehensive Income	(138.05)	55.73	(82.32)

(Rs. in Lakhs)

Particulars	March 31, 2023		
	Before tax	Tax (expense)/ benefit	Net of tax
Items that will not be reclassified to statement of profit or loss			
Remeasurements of the defined benefit plans	(219.94)	55.36	(164.58)
Items that will subsequently be reclassified to statement of profit or loss			
Exchange differences in translating financial statements of foreign operations	129.74	-	129.74
Total tax charge recognized directly to Other Comprehensive Income	(90.20)	55.36	(34.84)

iii. Reconciliation of Effective Tax Rate:

(Rs. in Lakhs)

Particulars	March 31, 2024	March 31, 2023
Profit before tax	17,468.89	18,750.34
Income tax expense at tax rates applicable to individual entities	4,486.64	4,972.27
Tax effect of adjustments to reconcile expected Income Tax Expense to reported Income Tax Expense:		
Expenses not allowed under Income tax	255.31	123.63

**Notes to consolidated financial statements
 for the year ended March 31, 2024 (Contd.)**

(Rs. in Lakhs)

Particulars	March 31, 2024	March 31, 2023
Dividend Income (Exempt Income)	(62.93)	(201.34)
Income taxable at a different rate	-	-
Tax adjustment of earlier years	(6.09)	(258.40)
Others	(49.60)	(225.22)
Total tax expense	4,623.33	4,410.94

(iv) Movement in deferred tax balances
As at March 31, 2024

(Rs. in Lakhs)

Particulars	Net balance April 01, 2023	Recognized in statement of profit or loss	Recognized in OCI	On account of business combination	Net deferred tax asset/ (liability)	Deferred tax asset	Deferred tax (liability)
Property, plant, equipment and intangibles	(1,411.24)	(153.30)	-	-	(1,564.54)	22.75	(1,587.29)
Current investments	122.78	0.30	-	-	123.08	2.48	120.60
Business Combination	(8,209.45)	-	-	-	(8,209.45)	-	(8,209.45)
Provision for bad and doubtful debts	597.29	298.98	-	-	896.27	72.08	824.19
Provision for bad and doubtful advances / deposits	13.13	-	-	-	13.13	-	13.13
Provision for employee benefits	573.11	28.65	55.73	-	657.49	13.36	644.13
Impact of Ind AS -116	350.71	75.32	-	-	426.03	1.24	424.79
Share based payments	214.51	-	-	-	214.51	-	214.51
Others	614.60	87.62	-	-	702.22	651.66	50.56
Tax Assets/ (Liabilities) (net)	(7,134.56)	337.57	55.73	-	(6,741.24)	763.58	(7,504.83)

As at March 31, 2023

(Rs. in Lakhs)

Particulars	Net balance April 01, 2022	Recognized in statement of profit or loss	Recognized in OCI	On account of business combination	Net deferred tax asset/ (liability)	Deferred tax asset	Deferred tax (liability)
Property, plant, equipment and intangibles	(1,817.87)	366.08	-	40.54	(1,411.24)	31.84	(1,443.08)
Current investments	89.48	33.30	-	-	122.78	2.19	120.59
Business Combination	(8,209.45)	-	-	-	(8,209.45)	-	(8,209.45)
Provision for bad and doubtful debts	720.03	(122.75)	-	-	597.29	72.75	524.54
Provision for bad and doubtful advances / deposits	13.13	-	-	-	13.13	-	13.13
Provision for employee benefits	569.32	(51.57)	55.36	-	573.11	9.48	563.62
Impact of Ind AS -116	279.70	71.01	-	-	350.71	2.38	348.33
Share based payments	214.51	-	-	-	214.51	-	214.51
Others	452.59	162.01	-	-	614.60	571.00	43.60
Tax Assets/ (Liabilities) (net)	(7,688.53)	458.09	55.36	40.54	(7,134.57)	689.65	(7,824.21)

The group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Notes to consolidated financial statements for the year ended March 31, 2024 (Contd.)

Significant management judgement is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income and the period over which deferred income tax assets will be recovered. Any changes in future taxable income would impact the recoverability of deferred tax assets. Further, the group has been substantially availing the tax credit and believes that it would continue to avail the tax credit, for the dividend distribution tax payable by the subsidiaries on its dividend distribution.

Tax Assets and Liabilities

(Rs. in Lakhs)		
Particulars	March 31, 2024	March 31, 2023
Non current tax assets (net of tax provision)	2,757.30	3,286.77
Current tax liabilities (net of tax assets)	1,627.51	934.70

36. Earnings Per Share

Basic EPS is calculated by dividing the profit for the year attributable to equity holders by the weighted average number of Equity shares outstanding during the year.

Diluted EPS is calculated by dividing the profit attributable to equity holders (after adjusting profit impact of dilutive potential equity shares, if any) by the aggregate of weighted average number of Equity shares outstanding during the year and the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

(Rs. in Lakhs)		
Particulars	March 31, 2024	March 31, 2023
i. Profit attributable to equity holders (Rs in Lakhs)		
Profit attributable to equity holders for basic and diluted EPS	12,781.62	14,288.26
ii. Weighted average number of shares for calculating basic EPS	5,12,19,781	5,11,96,399
iii. Effect of dilution		
Share options	1,74,635	1,73,624
Weighted average number of shares for calculating diluted EPS	5,13,94,416	5,13,70,023
iv. Basic earnings per share (Rs.)	24.95	27.91
v. Diluted earnings per share (Rs.)	24.87	27.81

37. Disclosure under Ind-As 116 Leases

Following is the summary of practical expedients elected on application:

- i. Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date
- ii. Applied the exemption not to recognize right-of-use assets and liabilities for leases:
 - a. with less than 12 months of lease term on the date of initial application
 - b. Rent outflow of less than Rs. 5 Lakhs in entire tenure of arrangement
- iii. Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.
- iv. Applied the practical expedient to grandfather the assessment of which transactions are leases on the date of transition. Accordingly, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.
1. The effect of amortization and interest related to Right Of Use Asset and Lease Liability are reflected in the statement of Profit and Loss under the heading "Depreciation and Amortization Expense" and "Finance costs" respectively under notes 33 and 32.
2. The incremental borrowing rate applied to lease liabilities for 2023-24 is 9.2% -10.10% based on tenure of arrangement

Notes to consolidated financial statements
 for the year ended March 31, 2024 (Contd.)

3. Following are the changes in the carrying value of right of use assets for the year ended March 31, 2024:

(Rs. in Lakhs)

Particulars	Category of ROU					Total
	Office Space	Patient Service Center	Lab	HUB	Re-agent Rental	
Balance as of April 01, 2022	1,287.72	1,880.96	2,344.04	76.06	5,360.39	10,949.17
Additions	1,893.70	4,550.45	3,007.82	-	1,926.52	11,378.49
Deletion	-	-	(111.05)	-	-	(111.05)
Depreciation	(556.58)	(1,568.78)	(1,006.37)	(67.09)	(1,677.87)	(4,876.68)
Balance as of March 31, 2023	2624.832278	4862.63633	4234.444606	8.97232523	5609.04794	17339.93138
Additions	2,156.66	2,707.80	569.41	23.19	1,433.58	6,890.63
Deletion	-	-	-	-	-	-
Depreciation	(993.85)	(1,873.81)	(1,343.46)	(7.87)	(1,997.64)	(6,216.63)
Balance as of March 31, 2024	3,787.64	5,696.63	3,460.39	24.29	5,044.98	18,013.93

4. The following is the break-up of current and non-current lease liabilities as of March 31, 2024:

(Rs. in Lakhs)

Particulars	March 31, 2024	March 31, 2023
Current Lease liabilities	7,799.67	6,183.09
Non-current lease liabilities	11,906.78	12,550.13
Total	19,706.45	18,733.21

5. The following is the movement in lease liabilities for the year ended March 31, 2024 and March 31, 2023

(Rs. in Lakhs)

Particulars	Amount
Balance as of April 01, 2022	12,001.08
Additions	11,378.11
Deletions	(127.91)
Interest accrued during the period	1,658.68
Payment of lease liabilities	(6,176.74)
Balance as of March 31, 2023	18,733.22
Additions	6,751.71
Deletions	-
Interest accrued during the period	1,859.05
Payment of lease liabilities	(7,637.51)
Balance as of March 31, 2024	19,706.47

6. The table below provides details regarding the contractual maturities of lease liabilities as of March 31, 2024 on an undiscounted basis:

(Rs. in Lakhs)

Particulars	March 31, 2024	March 31, 2023
Less than one year	6,213.16	6,336.20
One to five years	14,988.26	14,237.68
More than five years	1,010.89	2,179.95
Total	22,212.31	22,753.83

Notes to consolidated financial statements
for the year ended March 31, 2024 (Contd.)

7. Impact of adoption of Ind AS 116 is as follows:

(Rs. in Lakhs)

Particulars	March 31, 2024	March 31, 2023
Decrease in other expenses by	7,637.51	6,176.74
Increase in finance cost by	1,859.05	1,658.68
Increase in depreciation by (excludes depreciation on reclassified assets)	6,216.63	4,876.68
Net decrease in profits	438.17	358.62

8. The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.
9. ROU assets and lease liability does not include any options to extend / terminate the lease before the end of the lease term.
10. Rental expense recorded for short-term leases / Variable rent was Rs. 10,525.94 Lakhs for the year ended March 31, 2024 (March 31, 2023 Rs. 9,409.99 Lakhs).
11. The total cash outflow for leases for year ended March 31, 2024 is Rs 7,637.51 Lakhs (March 31, 2023: Rs 6,176.74 Lakhs)

38. Financial instruments – Fair values and risk management

(i) Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

(Rs. in Lakhs)

Particulars	As at March 31, 2024						
	Carrying amount			Fair value			
	Fair value through profit and loss	Amortized Cost	Total	Level 1	Level 2	Level 3	Total
Non-current Financial assets							
Non-current investments - Unquoted equity instruments in others**	-	-	-	-	-	-	-
Loans- Security Deposits	-	1,964.59	1,964.59	-	-	-	-
Other non current financial assets	-	511.99	511.99	-	-	-	-
Current Financial assets							
Investment in mutual funds	5,307.49	-	5,307.49	5,307.49	-	-	5,307.49
Trade receivables	-	12,628.12	12,628.12	-	-	-	-
Cash and cash equivalents	-	6,261.83	6,261.83	-	-	-	-
Bank Balances other than Cash and cash equivalents	-	859.72	859.72	-	-	-	-
Other current financial assets	-	628.45	628.45	-	-	-	-
	5,307.49	22,854.71	28,162.21	5,307.49	-	-	5,307.49
Non-current Financial liabilities							
Lease Liabilities	-	11,906.78	11,906.78	-	-	-	-
Current Financial liabilities							
Trade payables	-	9,943.98	9,943.98	-	-	-	-
Other current financial liabilities	-	1,767.88	1,767.88	-	-	-	-
Lease Liabilities	-	7,799.67	7,799.67	-	-	-	-
	-	31,418.31	31,418.31	-	-	-	-

Notes to consolidated financial statements
 for the year ended March 31, 2024 (Contd.)

(Rs. in Lakhs)

Particulars	As at March 31, 2023						
	Carrying amount			Fair value			
	Fair value through profit and loss	Amortized Cost	Total	Level 1	Level 2	Level 3	Total
Non-current Financial assets							
Non-current investments - Unquoted equity instruments in others**	-	-	-	-	-	-	-
Loans- Security Deposits	-	1,419.03	1,419.03	-	-	-	-
Other non current financial assets	-	244.75	244.75	-	-	-	-
Current Financial assets							
Investment in mutual funds	1,306.14	-	1,306.14	1,306.14	-	-	1,306.14
Trade receivables	-	12,188.76	12,188.76	-	-	-	-
Cash and cash equivalents	-	6,883.32	6,883.32	-	-	-	-
Bank Balances other than Cash and cash equivalents	-	2,436.14	2,436.14	-	-	-	-
Other current financial assets	-	1,405.60	1,405.60	-	-	-	-
	1,306.14	24,577.60	25,883.74	1,306.14	-	-	1,306.14
Non-current Financial liabilities							
Borrowings	-	2,861.42	2,861.42	-	-	-	-
Other non-current financial liabilities	-	54.95	54.95	-	-	-	-
Lease Liabilities	-	12,550.13	12,550.13	-	-	-	-
Current Financial liabilities							
Borrowings	-	5,043.81	5,043.81	-	-	-	-
Trade payables	-	9,408.19	9,408.19	-	-	-	-
Other current financial liabilities	-	2,012.29	2,012.29	-	-	-	-
Lease Liabilities	-	6,183.09	6,183.09	-	-	-	-
	-	38,113.87	38,113.87	-	-	-	-

**The fair value in respect of the unquoted equity investments cannot be reliably estimated. The Company has currently measured them at their cost, i.e. Rs. 175.28 Lakhs (March 31, 2023: Rs.175.28 Lakhs).

The fair value of cash and cash equivalents, other bank balances, trade receivables, trade payables approximated their carrying value largely due to short term maturities of these instruments.

Financial instruments with fixed and variable interest rates are evaluated by the Group based on parameters such as interest rates and individual creditworthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

B Fair value hierarchy

Ind AS 107, 'Financial Instrument - Disclosure' requires classification of the valuation method of financial instruments measured at fair value in the Balance Sheet, using a three level fair-value-hierarchy (which reflects the significance of inputs used in the measurements). The hierarchy gives the highest priority to un-adjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to un-observable inputs (Level 3 measurements). The three levels of the fair-value-hierarchy under Ind AS 107 are described below:

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level. This is the case for unlisted equity securities included in level 3.

Notes to consolidated financial statements for the year ended March 31, 2024 (Contd.)

Financial instruments measured at fair value

The following table shows the valuation techniques used in measuring Level 2 and Level 3 fair values for financial instruments measured at fair value in the balance sheet as well as the significant unobservable inputs used.

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Investment in mutual funds	The fair value of the units of mutual fund scheme are based on net asset value at each reporting date.	Not applicable	Not applicable
Investment in Commercial Papers	The fair value of commercial papers is derived through Stochastic Local Volatility process, where in yield is derived from trade data and pooled levels of similar instruments with similar maturity and credit rating that are traded in secondary market, adjusted by an illiquidity factor.	Not applicable	Not applicable

(ii) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

Maturities of financial liabilities

The table below analyzes the Group's financial liabilities into relevant maturity groupings based on their contractual maturities:

As at March 31, 2024

(Rs. in Lakhs)

Particulars	Contractual cash flow					
	Carrying amount	Total	Upto 1 year	1-3 years	3-5 years	More than 5 years
Non-derivative financial liabilities						
Payable towards acquisition of business	137.99	140.50	140.50	-	-	-
Lease Liabilities*	19,706.45	22,212.31	6,213.16	12,125.49	2,862.77	1,010.89
Trade payables	9,943.98	9,943.98	9,943.98	-	-	-
Other current financial liabilities	1,629.89	1,629.89	1,629.89	-	-	-
Total	31,418.31	33,926.68	17,927.53	12,125.49	2,862.77	1,010.89

**Notes to consolidated financial statements
 for the year ended March 31, 2024 (Contd.)**
As at March 31, 2023

(Rs. in Lakhs)

Particulars	Contractual cash flow					
	Carrying amount	Total	Upto 1 year	1-3 years	3-5 years	More than 5 years
Non-derivative financial liabilities						
Payable towards acquisition of business	197.38	198.44	178.44	20.00	-	-
Current borrowings	5,043.81	5,043.81	5,043.81	-	-	-
Lease Liabilities*	18,733.21	22,753.83	6,336.20	10,345.96	3,891.72	2,179.95
Trade payables	9,408.19	9,408.19	9,408.19	-	-	-
Other financial liabilities	1,869.86	1,869.86	1,869.86	-	-	-
Total	35,252.45	39,274.13	22,836.50	10,365.96	3,891.72	2,179.95

*The outflows disclosed in the above table represent the total contractual undiscounted cash flows.

Financial risk management

The Group's Board of Directors has overall responsibility for the establishment and oversight of the Group' risk management framework.

The Group has exposure to the following risks arising from financial instruments

- Credit risk
- Liquidity risk
- Market risk

(i) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's trade and other receivables, investments, loans/advances and cash and cash equivalents. The maximum exposure to credit risk in case of all the financial instruments covered below is restricted to their respective carrying amount.

a. Trade receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business. The Group establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments.

The group does not have any significant concentration of credit risk. Further, group has no customer (March 31, 2023: no customer) which accounts for 10% or more of the total trade receivables at each reporting date.

The Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix.

The movement in the provision for debts having significant increase in credit risk and which are credit impaired for the year ended March 31, 2024

Particulars	Amount (Rs. in Lakhs)
Balance as at April 01, 2022	2,392.32
Expected Credit Loss allowance	(176.45)
Reversal of expected credit loss allowance	(217.22)
Balance as at March 31, 2023	1,998.65
Expected Credit Loss allowance	1,135.23
Reversal of expected credit loss allowance	(4.85)
Balance as at March 31, 2024	3,127.82

Notes to consolidated financial statements for the year ended March 31, 2024 (Contd.)

b. Cash and cash equivalents and Other bank balances

The Group held cash and cash equivalents and other bank balances of Rs. 7,402.73 Lakhs at March 31, 2024 (March 31, 2023: Rs. 9,319.46 Lakhs). The cash and cash equivalents are held with bank with good credit ratings.

c. Investments

The Group limits its exposure to credit risk by generally investing in liquid securities and only with counterparties that have a good credit rating. The Group does not expect any losses from non-performance by these counter-parties, and does not have any significant concentration of exposures to specific industry sectors or specific country risks.

d. Loans and advances

Loans and advances mainly consist security deposit and advances to related parties.

The security deposit pertains to rent deposit given to lessors. The Group does not expect any losses from non-performance by these counter-parties.

The loans and advances given majorly pertains to joint venture and associates. The parties have been generally regular in making payments and hence the Group does not expect significant impairment losses on its current profile of outstanding advances. The advances which have defaulted in the past is mainly on account of uncontrollable adverse local market conditions which has diluted parties credit worthiness.

The movement in the provision for advances having significant increase in credit risk and which are credit impaired for the year ended March 31, 2024:

Particulars	(Rs. in Lakhs)
Balance as at April 01, 2022	552.43
Deduction on account of write off	(227.24)
Movement during the year	-
Balance as at March 31, 2022	325.19
Advance write off during the year	(173.48)
Movement during the year	219.77
Balance as at March 31, 2023	371.48

(iii) Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. The Company is exposed to market risk primarily related to foreign exchange rate risk and interest rate risk. The objective of market risk management is to avoid excessive exposure in foreign currency revenues and costs.

a. Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group has foreign currency trade payables and receivables and is therefore exposed to foreign exchange risk.

Exposure to currency risk (Exposure in different currencies converted to functional currency i.e. Rs.)

The currency profile of financial assets and financial liabilities as at March 31, 2024 and March 31, 2023 are as below:

March 31, 2024	SGD	EUR	GBP	USD
Financial assets (A)				
Trade and other receivables	-	-	-	558.22
Advance given	-	-	0.04	-
Financial liabilities (B)				
Trade and other payables	-	5.83	0.55	34.67
Advance taken	-	-	-	-
Net exposure (A - B)	-	(5.83)	(0.51)	523.56

**Notes to consolidated financial statements
 for the year ended March 31, 2024 (Contd.)**

(Rs. in Lakhs)

March 31, 2023	SGD	EUR	GBP	USD
Financial assets (A)				
Trade and other receivables	-	-	-	403.77
Advance given	28.04	-	0.04	86.69
Trade and other payables	-	-	-	31.82
Advance taken	-	-	-	1.09
Net exposure (A - B)	28.04	-	0.04	457.55

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against foreign currencies at March 31, 2024 and March 31, 2023 would have affected the measurement of financial instruments denominated in foreign currencies and affected Statement of profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

(Rs. in Lakhs)

Particulars	March 31, 2024		March 31, 2023	
	Strengthening	Weakening	Strengthening	Weakening
3% movement				
USD	(15.71)	15.71	(13.73)	13.73
SGD	-	-	(0.84)	0.84
GBP	0.02	(0.02)	(0.00)	0.00
EUR	0.17	(0.17)		
	(15.52)	15.52	(10.80)	10.80

"0" denotes amount below Rs 500

(b) Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

The interest rate profile of the Group's interest-bearing financial instruments is as follows:

(Rs. in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Fixed-rate instruments		
Financial assets	9,788.28	8,185.49
Financial liabilities	(137.99)	(5,241.19)
	9,650.29	2,944.30
Variable-rate instruments		
Financial assets	-	-
Financial liabilities	(19,767.80)	(21,594.63)
	(19,767.80)	(21,594.63)
Total	(10,117.51)	(18,650.33)

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased / decreased equity and profit or loss by amounts shown below. This analyzes assumes that all other variables, in particular, foreign currency exchange rates, remain constant. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The year end balances are not necessarily representative of the average debt outstanding during the year.

Notes to consolidated financial statements
for the year ended March 31, 2024 (Contd.)

(Rs. in Lakhs)

Particulars	Profit or loss	
	100 bp increase	100 bp decrease
For the year ended March 31, 2024		
Variable-rate instruments	(197.68)	197.68
Cash flow sensitivity (net)	(197.68)	197.68
For the year ended March 31, 2023		
Variable-rate instruments	(215.95)	215.95
Cash flow sensitivity (net)	(215.95)	215.95

(Note: The impact is indicated on the profit/loss and equity before tax basis)

38(iv) Capital management

The objective of the Group's capital management is to ensure that it maintains an efficient capital structure and healthy capital ratios to support its business and maximize shareholder value.

The Group has equity capital and other reserves attributable to the equity shareholders, as the only source of capital and the Company has insignificant interest bearing borrowings/ debts as on the reporting date. Hence, the Group is not subject to any externally imposed capital requirements.

The Group's capital management is driven by Company's policy to maintain a sound capital base to support the continued development of its business. The Board of Directors seeks to maintain a prudent balance between different components of the Group's capital. The Management monitors the capital structure and the net financial debt at individual currency level. Net financial debt is defined as current and non-current financial liabilities less cash and cash equivalents and short-term investments.

The Group monitors capital using a ratio of 'adjusted net debt' to 'adjusted equity'. For this purpose, adjusted net debt is defined as interest-bearing borrowings, less cash and cash equivalents. Adjusted equity comprises all components of equity.

The net debt to equity ratio for the current year decreased as a result of repayment of borrowings.

(Rs. in Lakhs)

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Non-current borrowings	0.00	2,861.42
Current Borrowings	-	5,043.81
Gross Debt	0.00	7,905.23
Less : Cash and cash equivalent	(7,121.55)	(9,319.46)
Adjusted net debt	(7,121.55)	(1,414.23)
Total equity	1,09,615.55	98,823.23
Adjusted net debt to adjusted equity ratio	-	-

39. Related Party Disclosures, as required by Indian Accounting Standard 24 (Ind AS 24) are given below:

A. Relationships –

Category I: Key Management Personnel (KMP)

Dr. Sushil Kanubhai Shah, Chairman and Executive Director

Smt Ameera Sushil Shah, Managing Director

Shri Vijender Singh, Chief Executive Officer (up to August 17, 2022)

Shri Rakesh Agarwal, Chief Financial Officer

Shri Hemant Sachdev, Non-Executive Director

Smt Simmi Singh Bisht, Company Secretary (up to January 07, 2023)

Shri Milind Shripad Sarwate, Independent Director (up to September 06, 2023)

Shri Vivek Gambhir, Independent Director

Shri Sanjay Bhatnagar, Independent Director

Smt Anita Ramachandran, Independent Director

Shri Surendran Chemmenkotil, Chief executive Officer (w.e.f January 02, 2023)

**Notes to consolidated financial statements
 for the year ended March 31, 2024 (Contd.)**

Shri Subramanian Ranganathan, Independent Director(w.e.f August 21, 2023)

Shri Kamlesh Kulkarni, Company Secretary(w.e.f February 03, 2024)

Category II: Relatives of KMP

Dr. Duru Sushil Shah

Smt Aparna Shah (Rajadhyaksha)

Category III: Companies in which key management personnel or their relatives have significant influence (Other related parties)

Metz Advisory LLP

Metropolis Health Products Retail Private Limited

Chogori Distribution Private Limited

Chogori India Retail Limited

Chogori Retail Private Limited

Sushil Shah Family Trust

Duru Shah Family Trust

Metropolis foundation

B. The transactions with the related parties are as follows:

(Rs. in Lakhs)		
Particulars	March 31, 2024	March 31, 2023
1) Services rendered		
Relatives of KMP		
Dr. Duru Sushil Shah	20.64	22.60
2) Rent paid		
Key Management Personnel		
Dr. Sushil Kanubhai Shah	118.35	118.35
3) Compensation paid to Key Management Personnel		
Short-term employee benefits	1,111.60	989.49
Post employment benefit	81.04	64.45
Share-based payments expense	267.84	60.49
5) Director sitting fees and Commission		
Shri Milind Shripad Sarwate	18.40	23.55
Shri Vivek Gambhir	17.75	18.90
Smt Anita Ramachandran	22.50	18.50
Shri Subramanian Ranganathan	5.00	-
Shri Sanjay Bhatnagar	18.40	14.65
6) Professional Fees		
Relatives of KMP		
Smt Aparna Shah (Rajadhyaksha)	18.00	18.00
7) Amount paid for CSR projects		
Other related parties		
Metropolis Foundation	-	215.56

C. The related party balances outstanding at year end are as follows:

(Rs. in Lakhs)		
Particulars	March 31, 2024	March 31, 2023
1) (a) Trade payables		
Other related parties		
Metropolis Health Products Retail Private Limited	1.87	1.87
(b) Other Payable		
Dr. Sushil Kanubhai Shah*	19.86	19.86
Aparna Rajadhyaksha	41.99	22.50
2) Trade receivables		
Relatives of KMP		
Dr. Duru Sushil Shah	2.74	3.66

Notes to consolidated financial statements
for the year ended March 31, 2024 (Contd.)

(Rs. in Lakhs)

Particulars	March 31, 2024		March 31, 2023	
3) Loans and advances including interest accrued				
Other related parties				
Metropolis Health Products Retail Private Limited	44.00		44.00	
4) Provision for doubtful advances				
Other related parties				
Metropolis Health Products Retail Private Limited	44.00		44.00	

* Other payable include payable to Dr. Sushil Shah on account of refund of additional filing fee received from SEBI

Note: Transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions.

40. Details of Subsidiaries, Joint Ventures and Associates

(a) The list of subsidiary companies included in the consolidated financial statements are as under;

(Rs. in Lakhs)

Name of the subsidiary	Country of incorporation	Proportion of ownership interest	
		March 31, 2024	March 31, 2023
Amins Pathology Laboratory Private Limited	India	100.00%	100.00%
Ekopath Metropolis Lab Services Private Limited	India	60.00%	60.00%
Centralab Healthcare Services Private Limited	India	100.00%	100.00%
Metropolis Histoxpert Digital Services Private Limited	India	100.00%	100.00%
Metropolis Healthcare (Mauritius) Limited	Mauritius	100.00%	100.00%
Metropolis Star Lab Kenya Limited*	Kenya	100.00%	100.00%
Metropolis Healthcare Ghana Limited*	Ghana	100.00%	100.00%
Metropolis Healthcare Lanka Private Limited	Sri Lanka	100.00%	100.00%
Metropolis Healthcare Tanzania Limited*	Tanzania	100.00%	100.00%
Metropolis Healthcare Uganda Limited*	Uganda	100.00%	100.00%
Metropolis Bramser Lab Services (Mtius) Limited*	Mauritius	100.00%	100.00%

* The Company has aligned the accounting year of its five overseas subsidiaries with the Indian accounting year. As a consequence of this change, the accounting year for the purpose of consolidation will henceforth be March 31,. For the transition year ie 2023-24 the impact of such change is, increase in revenue by Rs 1,825 Lakhs, PAT by Rs 40 Lakhs.

(b) The list of Associates companies included in the consolidated financial statements are as under;

(Rs. in Lakhs)

Name of the subsidiary	Country of incorporation	Proportion of ownership interest	
		March 31, 2024	March 31, 2023
Star Metropolis Health Services Middle East LLC [^]	United Arab Emirates	34.00%	34.00%

[^] Associate is not accounted in the consolidated financial statements

41. Deferred payment consideration

During the 2018-19, the Company has entered into a business purchase agreement to acquire Sanjeevani Pathology Laboratory located at Rajkot for an initial purchase consideration of Rs 4,104.00 Lakhs, an amount of Rs 2,300.00 Lakhs is to be paid by the Company to Dr. Kiritkumar Patel, owner of Sanjeevani Pathology Laboratory in 7 tranches starting from February 2017 to March 2021.

The deferred consideration of Rs 2,300.00 Lakhs has been measured at fair value (Rs 2,100.96 Lakhs) on initial recognition and the difference of Rs 199.04 Lakhs will be recognise as finance cost on EIR basis over the payment tenure; During year ended March 31, 2024 Rs NIL (March 31, 2023 Rs NIL Lakhs) charged to statement of profit and loss (refer note 32).

In case of investment in Dr. Patel Metropolis Healthcare Private Limited during year ended March 31, 2019, out of total consideration of Rs 868.92 Lakhs, an amount of Rs. 100 Lakhs is to be paid by Company in 2 tranches (Rs. 80 Lakhs to be paid on 14 September 2021 and remaining Rs. 20 Lakhs to be paid on 14 September 2023).

Notes to consolidated financial statements for the year ended March 31, 2024 (Contd.)

The deferred consideration of Rs. 100 Lakhs has been measured at fair value (Rs. 80.40 Lakhs) on initial recognition and the difference of Rs. 19.60 Lakhs will be recognized as finance cost on EIR basis over the payment tenure; During year ended March 31, 2024, Rs 0.33 Lakhs (March 31, 2022 Rs 1.25 Lakhs) charged to statement of profit and loss (refer note 32).

During the 2019-20, Desai Metropolis health Services Private Limited a subsidiary of the Company has entered into a business purchase agreement to acquire Four Laboratories (Yash Lab, Nagar lab, Doctor Lab and Iyer Lab) located at Surat for an initial purchase consideration of Rs 1,800.00 Lakhs. The amount of Rs 1,800.00 Lakhs is to be paid by the Desai Metropolis health Services Private Limited to the owners of these laboratories in 6 tranches starting from September 2019 to September 2024.

The deferred consideration of Rs. 1,800 Lakhs has been measured at fair value (Rs. 1,668.11 Lakhs) on initial recognition and the difference of Rs. 131.89 Lakhs will be recognized as finance cost on EIR basis over the payment tenure; During year ended March 31, 2023 Rs 5.28 Lakhs (March 31, 2022 Rs 8.67 Lakhs) charged to statement of profit and loss (refer note 32).

Summarized Details of Deferred Purchase Consideration

(Rs. in Lakhs)

Particular	March 31, 2024		March 31, 2023	
	Finance Cost	Closing Fair value	Finance Cost	Closing Fair value
Sanjeevani Pathology Laboratory	-	100.00	-	100.00
Dr. Patel Metropolis Healthcare Private	0.33	-	1.25	19.54
Desai Metropolis health Services Private Limited - Four Laboratories (Yash Lab, Nagar lab, Doctor Lab and Iyer Lab)	5.28	37.99	8.67	77.84
Total	5.61	137.99	9.92	197.38

42. Non Controlling Interests

Below is the partly owned subsidiary of the Company and the share of the non-controlling interests.

(Rs. in Lakhs)

Name	Country of Incorporation	As at March 31, 2024	As at March 31, 2023
Ekopath Metropolis Lab Services Private Limited	India	40.00%	40.00%

The principal place of business of the entity listed above is the same as their respective country of incorporation.

The non-wholly owned subsidiary is not material to the Group. Therefore, financial information about these non-wholly owned subsidiaries are not disclosed separately.

43. Commitments

(Rs. in Lakhs)

Capital commitments:	March 31, 2024	March 31, 2023
Estimated amount of contracts remaining to be executed on capital account not provided for	554.54	285.47

Other commitments:

- (i) The Holding Company has entered into reagent agreement for a period ranging from 3 to 6 years with some of its major raw material suppliers to purchase agreed value of raw materials.
- (ii) The value of purchase commitments for the remaining number of years are Rs. 28,906.73 Lakhs (March 31, 2023 Rs. 26,295.23 Lakhs) of which annual commitment for next year is Rs. 7,026.93 Lakhs (March 31, 2023 Rs. 6,871.92 Lakhs) as per the terms of these arrangements.

Notes to consolidated financial statements for the year ended March 31, 2024 (Contd.)

44. Contingent liabilities not provided for

	(Rs. in Lakhs)	
	March 31, 2024	March 31, 2023
Claims against the Group not acknowledged as debt :	85.20	89.90
- Claims by suppliers/contractors /others	387.80	123.44
- Claims pending in Consumer Dispute Redressal Forum	473.00	213.34

Note:

- (a) The Company has settled cases CP IB No. 4334 of 2019 & 4366 of 2019 in 2023-24, hence excluded from CL.
- (b) The Company has received assessment orders under section 143(3) / 147 of the Income-Tax Act, 1961, ("Act") passed by the Office of the Assistant Commissioner of Income Tax, Mumbai, Income Tax Department ("ACIT") ("Order") for 10 years from AY 2014-15 to AY 2023-24. The total demand raised is Rs 7,307 Lakhs. The Company has made an application for rectification in March 24, and the demand will stand approximately at Rs 3,917 Lakhs. The Company has filed appeals before the Commissioner of Income Tax (Appeals) for all the AYs except for AY 2021-22 and AY 2023-24 where Orders are yet to be reflected on the Income Tax Portal. Based on the advice of the learned counsel, we believe that the said orders will not have any material financial impact as there is merit in the principles applied by the Company. Over the years, the Company had provided Rs 1,964 Lakhs in its accounts, against this probable liability.

45. Payment to auditors

	(Rs. in Lakhs)	
	March 31, 2024	March 31, 2023
Audit fees	129.36	123.04
Certification Fees	9.49	9.49
Others (including reimbursement of out of pocket expenses)	23.51	38.17
	162.36	170.70

46.

(a) Disclosure as per Ind AS 115 - Revenue from contracts with customers

The Group generates its entire revenue from contracts with customers for the services at a point in time. The Group is engaged mainly in the business of running laboratories for carrying out pathological investigations of various branches of bio-chemistry, hematology, histopathology, microbiology, electrophoresis, immuno-chemistry, immunology, virology, cytology, other pathological and radiological investigations.

	(Rs. in Lakhs)	
	March 31, 2024	March 31, 2023
Contract asset- unbilled revenue	-	-
Contract liabilities - Advance from Customers and unearned revenue	-	-
Opening Balance	1,471.93	1,722.86
Movement during the year (net)	64.81	(250.93)
Closing Balance	1,536.74	1,471.93

(b) Reconciliation of revenue from contracts with customers

	(Rs. in Lakhs)	
	March 31, 2024	March 31, 2023
Revenue from contract with customer as per the contract price	1,22,633.42	1,16,117.95
Adjustments made to contract price on account of :-		
Discount / Rebates	1,862.55	1,296.93
Revenue from contract with customer	1,20,770.88	1,14,821.02
Other operating revenue	-	-
Revenue from operations	1,20,770.88	1,22,833.60

The Group has no customer which accounts for 10% or more of the total trade receivables as at March 31, 2024 (March 31, 2023: Nil).

Notes to consolidated financial statements
 for the year ended March 31, 2024 (Contd.)

47. Employee benefits
(a) Defined benefits plan

The Group has gratuity as defined benefit retirement plan for its employees. Funded plan includes gratuity benefit to every employee who has completed service of five years or more, at 15 days salary for each completed year of service (on last drawn basic salary) in accordance with Payment of Gratuity Act, 1972. The scheme is funded with insurance company in the form of qualifying insurance policies

These plan typically expose the Company to actuarial risk such as: Investment risk, interest rate risk, longevity risk and salary risk.

Investment Risk	The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.
Interest Risk	A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.
Longevity Risk	Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.
Salary Risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

(Rs. in Lakhs)

	March 31, 2024	March 31, 2023
A. Amount recognized in the balance sheet		
Present value of the obligation as at the end of the year	2,724.51	2,355.71
Fair value of plan assets as at the end of the year	(130.65)	(120.74)
Net liability recognized in the balance sheet	2,593.85	2,234.98
Out of which,		
Non-current portion (Refer note 21(A))	1,579.52	1,302.02
Current portion (Refer note 21(B))	1,014.33	932.96
B. Change in projected benefit obligation		
Projected benefit obligation at the beginning of the year	2,355.71	2,150.43
Current service cost	250.90	226.67
Interest cost	168.01	110.88
Actuarial loss/(gain)	225.47	226.70
Benefits paid	(265.81)	(358.97)
Liability transferred out	(9.78)	-
Projected benefit obligation at the end of the year	2,724.51	2,355.71
C. Change in plan assets		
Fair value of plan assets at the beginning of the year	120.74	122.61
Interest income	7.03	0.89
Return on plan assets (excluding Interest income)	2.88	6.76
Benefits paid	-	(9.52)
Fair value of plan assets at the end of the year	130.65	120.74
D. Amount recognized in the statement of profit and loss		
Current service cost	220.60	226.67
Interest cost	160.98	109.99
Expenses recognized in the statement of profit and loss (Refer note 31)	381.57	336.66
E. Amount recognized in other comprehensive income		
Actuarial loss/(gain) on Defined benefit obligation	224.33	226.70

Notes to consolidated financial statements
for the year ended March 31, 2024 (Contd.)

(Rs. in Lakhs)

	March 31, 2024	March 31, 2023
Return on plan assets (excluding Interest income)	(2.88)	(6.76)
	221.45	219.94
F. The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:		
Gratuity	March 31, 2024	March 31, 2023
Investments with insurer (Life Insurance Corporation Limited)	100%	100%
G. Assumptions used		
Discount rate	7.14%-7.52%	7.2%-7.52%
Long-term rate of compensation increase	5.00%-6.00% p.a	5.00%-6.00% p.a
Rate of return on plan assets	7.14%	7.20%
Attrition rate	5%-31%	5%-31%
Mortality Rate	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)

H. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

(Rs. in Lakhs)

Particular	March 31, 2024		March 31, 2023	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(62.34)	66.57	(46.24)	49.07
Future salary growth (1% movement)	66.41	(63.46)	47.65	(45.99)
Employee Turnover (1% movement)	(3.21)	2.71	(1.81)	1.88

I. Expected future cash flows

(Rs. in Lakhs)

Particular	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
March 31, 2024					
Defined benefit obligations (Gratuity)	871.16	607.64	1,075.76	677.11	3,231.67
Total	871.16	607.64	1,075.76	677.11	3,231.67

(Rs. in Lakhs)

Particular	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
March 31, 2023					
Defined benefit obligations (Gratuity)	735.37	525.57	950.66	590.07	2,801.67
Total	735.37	525.57	950.66	590.07	2,801.67

(b) Defined contribution plan

The Group entities domiciled in India contributes towards statutory provident fund as per the Employees Provident Funds and Miscellaneous Provisions Act, 1952 and towards employee state insurance as per the Employees' State Insurance Act, 1948. Entities of the Group domiciled outside India also contributes to social security schemes as per the relevant regulations of the country for the welfare of the employees. These are defined contribution plans as per Ind AS - 19. The amount of contribution to provident fund and Employee State Insurance Scheme recognized as expenses during the year March 31, 2024: Rs. 1,550.99 Lakhs (March 31, 2023: Rs. 1,461.27 Lakhs).

**Notes to consolidated financial statements
 for the year ended March 31, 2024 (Contd.)**
(c) Employee Stock Option Schemes
Description of share-based payment arrangements:
As at March 31, 2024 and March 31, 2023 Company had following share-based payment arrangements:
RSU 2020 -

This plan may be called the Metropolis–Restrictive Stock Unit Plan, 2020 (MHL-RSU Plan, 2020) as approved by the Board of Directors of the Company at its meeting held on February 6, 2020 as per the recommendation of Nomination and Remuneration Committee and approved by members of the Company through postal ballot process on April 06, 2020. This plan shall be deemed to have come into force on April 06, 2020 (Being the date of passing of special resolutions for approving the MHL-RSU Plan 2020 by the Shareholder of the Company through postal ballot process) or on such date as may be decided by the Nomination and Remuneration Committee (“Committee”) of the Company.

MESOS 2015 -

The Company has instituted “Metropolis Employee Stock Option Plan 2015 “(MESOP 2015) for eligible employees. In terms of the said plan, options to the employees shall vest at the rate of 30% of Grant on 36 months from Grant Date, 35% of Grant on 48 months from Grant Date and 35% of Grant on 60 months from Grant Date. The vested options can be exercised on earlier of Listing of Company Shares on an Indian Stock Exchange or 60 month from the date of the grant. Further option can only be exercised during the exercise window specified by the Company. Each Option carries with it the right to purchase one equity share of the Company at the exercise price determined by Nomination and Remuneration Committee.

On September 19, 2017, consent was given by the Nomination and Remuneration Committee, where in vesting schedule was modified to grant options under Metropolis Employee Stock Options Scheme, 2015 (MESOS 2015). As per modified terms, option to

- Existing employees (person who is in continuous employment with the Company since January 01, 2016 or prior thereto) shall vest at the rate of 50% of Grant on January 01, 2018, 25% of Grant on January 01, 2019 and 25% of Grant on January 01, 2020.
- New employees (person who is in continuous employment with the Company after January 01, 2016.) shall vest at the rate of 50% of Grant on completion of 2 years from date of joining, 25% of Grant on completion of 3 years from date of joining and 25% of Grant on completion of 4 years from date of joining.
- No additional options to be granted under MESOS 2015 as per the resolution dated September 24, 2018, passed by the Nomination & Remuneration Committee.

Grant date / employees entitled	Number of instruments	Vesting conditions	Contractual life of options
RSU - Option granted to eligible employees on May 2020	3,70,000	For the Options to vest, the Grantee has to meet the performance parameters & be in employment of the Metropolis Group on the date of the vesting.	The exercise period for RSU vested will be two years from date of vesting .
MESOS 2015 - Option granted to eligible employees on 25 April 2016	27,800	For the Options to vest, the Grantee has to be in employment of the Metropolis Group on the date of the vesting.	The exercise period for Options vested will begin on earlier of (a) Listing of Company shares on an Indian Stock Exchange or (b) during the exercise window to be specified individually by Nomination and Remuneration Committee of the Company.

Notes to consolidated financial statements
for the year ended March 31, 2024 (Contd.)

Grant date / employees entitled	Number of instruments	Vesting conditions	Contractual life of options
MESOS 2015 - Option granted to eligible employees on 16 October 2017	1,85,550	For the Options to vest, the Grantee has to be in employment of the Metropolis Group on the date of the vesting.	The exercise period for Options vested will begin on earlier of (a) Listing of Company shares on an Indian Stock Exchange or (b) during the exercise window to be specified individually by Nomination and Remuneration Committee of the Company.

Reconciliation of Outstanding share options

The number and weighted-average exercise price of share options under the share share option plans are as follows:

RSU 2020

(Rs. in Lakhs)

	March 31, 2024		March 31, 2023	
	Weighted average exercise price	Number of options	Weighted average exercise price	Number of options
Outstanding at the beginning of the year	2	1,40,671	2	2,27,094
Granted during the year	2	77,666	2	1,02,650
Exercised during the year	2	(16,197)	2	(36,045)
Lapsed/ forfeited /surrender/buyback	2	(28,608)	2	(1,53,028)
Outstanding at the end of the year	2	1,73,532	2	1,40,671
Exercisable at the end of the year	2	-	2	-

Summary of Shares/Option exercised during the period

Particular	Number of shares / Options	Amount
Securities Premium (Exercise price (2.00) less Face value per share (2.00))	-	0
General Reserve (Fair Value - Nil per Option)	-	0
Equity Shares (Face value Rs. 2 per share)	16,197	0.32394

MESOS 2015

(Rs. in Lakhs)

	March 31, 2024		March 31, 2023	
	Weighted average exercise price	Number of options	Weighted average exercise price	Number of options
Outstanding at the beginning of the year	705.77	2,500	705.77	5,000
Granted during the year	-	-	-	-
Granted due to bonus issue	-	-	-	-
Granted due to split of shares	-	-	-	-
Exercised during the year	-	-	705.77	2,500
Lapsed/ forfeited /surrendered	-	-	-	-
Outstanding at the end of the year	705.77	2,500	705.77	2,500

The options outstanding at March 31, 2024 have an exercise price of Rs. 705.77 (March 31, 2023 have an exercise price of Rs. 705.77) and a weighted average remaining contractual life of 6 months to 1 year (March 31, 2023: 6 months to 2 years)

**Notes to consolidated financial statements
 for the year ended March 31, 2024 (Contd.)**

The expense arising from MESOS 2015 scheme during the year is Rs. Nil (March 31, 2023 Rs. 6.98 Lakhs);

The expense arising from RSU 2020 scheme during the year is Rs. 237.27 Lakhs (March 31, 2023 Rs. 21.53 Lakhs);

Summary of Shares/Option exercised during the period

Particular	Number of shares / Options	Amount
Securities Premium (Exercise price (705.77) less Face value per share (2))	-	-
General Reserve (Fair Value - Nil per Option)	-	-
Equity Shares (Face value Rs. 2 per share)	-	-

Measurement of Fair value

The fair value of employee share options has been measured at fair value of prevailing market value. The fair value of the options and the inputs used in the measurement of the grant date fair values of the equity settled share based payment plans are as follows:

Grant date	MESOS 2015		RSU 2020
	October 16, 2017	April 25, 2016	May 29, 2020
Fair value at grant date	142.80	66.00	Year 1 - 1,280.47 Year 2 - 1,267.36 Year 3 - 1,254.82 Year 4 - 1,242.37
Share price at grant date	2,910.00	2,289.00	1321
Exercise price	3,670.00	3,670.00	2
Expected volatility (Weighted average volatility)	16.04%	16.70%	Year 1 - 46.31% Year 2 - 61.61% Year 3 - 63.76% Year 4 - 63.76%
Expected life (expected weighted average life)	1.64 years	4.05 years	Year 1 - 3 years Year 2 - 4 years Year 3 - 5 years Year 4 - 6 years
Expected dividends	3%	3%	0.01
Risk-free interest rates (Based on government bonds)	6.35%	7.42%	Year 1 - 4.56% Year 2 - 4.69% Year 3 - 5.42% Year 4 - 5.6%

- Expected volatility of the option is based on historical volatility, during a period equivalent to the option life
- Dividend yield of the options is based on recent dividend activity
- Risk-free interest rates are based on the government securities yield in effect at the time of the grant.

(d) Compensatory absences

The Group follows period of January to December period for accrual of leaves. As per policy accumulation of Previlged and casual leave is not allowed. Previlged leaves are encashed at the end of December, however, casual leaves get lapsed at the end of December.

48. Segment Reporting
a. Basis for segmentation

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the chief operating decision maker, in deciding how to allocate resources and assessing performance. The Company's chief operating decision maker is the Managing Director and CEO of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Inter segment revenue is accounted on the basis of

Notes to consolidated financial statements for the year ended March 31, 2024 (Contd.)

transactions which are primarily determined based on market / fair value factors. Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on a reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities".

Based on the nature of the business and line of products/ services, there is only one reportable segment - Pathology service.

b. Geographic information

The geographic information analyzes the Group's revenues and non-current assets by the Company's country of domicile and other countries. In presenting geographic information, segment revenue has been based on the selling location in relation to sales to customers and segment assets are based on geographical location of assets.

(Rs. in Lakhs)		
Revenue from external customers	March 31, 2024	March 31, 2023
India	1,10,550.21	1,09,210.57
Outside India	10,220.67	5,610.45

(Rs. in Lakhs)		
Non-current assets (other than financial instruments and deferred tax assets)	March 31, 2024	March 31, 2023
India	1,17,438.81	1,16,059.81
Outside India	3,069.04	1,298.93

c. Major customers

Revenue contributed by any single customer, does not exceed ten percent of the Group's total revenue.

49. Corporate social responsibility (CSR)

Details of CSR expenditure:

(Rs. in Lakhs)		
Particulars	March 31, 2024	March 31, 2023
i) Amount required to be spent by the Company during the year (amount approved by board to be spent during the year)	506.56	513.83
ii) Amount of expenditure incurred		
A) Construction/ acquisition of any asset	-	-
B) On other than (i) above	506.56	513.83
iii) Shortfall at the end of the year	-	-
iv) Total of previous year shortfall	-	-
v) Reasons for shortfall	-	-
vi) Nature of CSR activities	Promoting healthcare and education	
vii) Details of related party transaction	Metropolis Foundation : Rs. Nil (Rs. 215.56 Lakhs)	

50. Disclosure under section 186 (4) of the Companies Act, 2013

All the loans given by the Holding Company to its subsidiary companies are under section 293 of the Companies Act, 1956, accordingly, section 186 of the Companies Act, 2013 is not applicable to the Company.

51. Investment and receivable from Star Metropolis Health Services Middle East LLC

As at March 31, 2024, the Holding Company has an investment of Rs. 129.85 Lakhs (March 31, 2023 Rs. 129.85 Lakhs) and receivable of Rs. 445.05 Lakhs (March 31, 2023 Rs. 445.05 Lakhs) from Star Metropolis Health Services Middle East LLC ('Star Metropolis'). Since the information has not been forthcoming for many years, Management has decided to discontinued to recognize the said entity as an associate from the current year and has filed an application to Reserve Bank of India (RBI) through Authorized Dealer Bank seeking permission to write off the above investment and receivable. However during the year,

Notes to consolidated financial statements for the year ended March 31, 2024 (Contd.)

The Board of Directors of the Company has accorded their approval for entering into a Settlement agreement with the equity shareholder(s) of Star Metropolis Health Services Middle East LLC – Dubai, associate of the Company (' the Associate') inter-alia to enable liquidation of the Associate as per the applicable laws.

52. Transfer Pricing

The Group's management is of the opinion that its international and domestic transactions are at arm's length as per the independent accountants report for the year ended March 31, 2023. Management continues to believe that its international transactions post March 31, 2023 and the specified domestic transactions are at arm's length and that the transfer pricing legislation will not have any impact on these financial statements, particularly on amount of tax expense and that of provision of taxation.

53. Shareholding In The Subsidiary Company:

Metropolis Healthcare Lanka Private Limited (Metropolis Lanka) has bought back 250,000 ordinary shares held by Nawaloka Hospitals PLC ("Nawaloka") in Metropolis Lanka pursuant to memorandum of understanding (MOU) dated March 31, 2017. As per the MOU, the buy-back consideration payable by Metropolis Lanka was adjusted against certain receivables payable by Nawaloka to Metropolis Lanka. As at March 31, 2020, Metropolis Lanka has not filed relevant forms with Registrar of the Company in respect of share transfer. Currently, the shareholding records in the books of Metropolis Lanka assumes that the buy-back has been effectuated as per the MOU and Metropolis Healthcare Limited is reflected as 100% owner of Metropolis Lanka.

54. Disclosure of Transactions with Struck off companies

The Group did not have any material transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the financial year.

55. Subsequent events:

On April 18, 2024 the National Company Law Tribunal, Chennai Bench ("NCLT") has approved the dissolution of Dr.Ganesan's Hitech Diagnostic Centre Private Limited ("Hitech", a wholly owned subsidiary of the Company) vide its order. Pursuant to the Scheme becoming effective, Hitech ceased to be the subsidiary of the Company and gets merged with the Company. The entire business of Hitech was distributed to the Company on a going concern basis on and with effect from June 04, 2022.

56. Business Combination

A Acquisition of Dr.Ganesan's Hitech Diagnostic Centre Private Limited

On October 22, 2021, the holding Company has acquired 100% stake in Dr.Ganesan's Hitech Diagnostic Centre Private Limited ("Hitech") and its wholly owned subsidiary Centralab Healthcare Services Private Limited ("Centralab") for a cash consideration of Rs. 63,142 Lakhs as per the terms and conditions of the Share Purchase Agreement including amendments thereof entered between the Company and Hitech. Post completion of the aforesaid acquisition, "Hitech" and "Centralab" has become wholly owned subsidiary and step down subsidiary respectively of the Company.

Details of assets acquired:

The fair values of identifiable assets acquired as at the date of acquisition were:

(Rs. in Lakhs)

Particulars	Amount
Tangible Asset	
Net Working Capital	(62.00)
Property, Plant and Equipment	1,296.00
Right-of-Use Assets	854.00
Total Tangible Asset (A)	2,088.00
Identified Intangibles Assets	
Hitech Brand	29,387.00
Non-compete agreement	3,229.00
Total Intangibles Assets (B)	32,616.00

Notes to consolidated financial statements
for the year ended March 31, 2024 (Contd.)

(Rs. in Lakhs)

Particulars	Amount
Total (C)=(A)+(B)	34,704.00
Purchase Consideration (D)	63,142.00
Other Adjustments (E)	257.00
Goodwill (E)=(D)-(C)-(E)	28,181.00

- Net Working Capital comprises current assets (trade receivables, inventory, security deposits, prepaid rent and other current assets) and current liabilities (trade payables, and other current liabilities) are realizable/ payable in short to medium term. Hence these have been considered at their respective book values in our analysis (i.e. book values considered as a proxy to their Fair Value).
- Other Adjustments include surplus assets, lease liabilities, debt-like items, deferred tax assets as per acquisition date consolidated balance sheet of Dr.Ganesan's Hitech Diagnostic Centre Private Limited ("Hitech").

B Liquidation of Dr.Ganesan's Hitech Diagnostic Centre Private Limited

The Board of Directors of the Company, at their meeting held on February 11, 2022, accorded in-principle approval for the voluntary liquidation of Dr. Ganesan's Hitech Diagnostic Centre Private Limited ('Hitech'), a wholly owned subsidiary of the Company, to be carried out under the provisions of Insolvency and Bankruptcy Code, 2016. The Board of Directors of Hitech in their meeting dated April 01, 2022 and the members of Hitech in their Extra Ordinary General meeting held on April 01, 2022 have accorded their approval for consolidation of the business of Hitech through voluntary liquidation process. Pursuant to the ongoing liquidation process, the liquidator of Hitech has transferred the entire business undertaking to the Company on a going concern basis on and with effect from June 04, 2022. On April 18, 2024 the National Company Law Tribunal, Chennai Bench ("NCLT") has approved the dissolution of Dr.Ganesan's Hitech Diagnostic Centre Private Limited ("Hitech", a wholly owned subsidiary of the Company) vide its order. Pursuant to the Scheme becoming effective, Hitech ceased to be the subsidiary of the Company and gets merged with the Company. The entire business of Hitech was distributed to the Company on a going concern basis on and with effect from June 04, 2022.

57. No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

58. Disclosure of additional information pertaining to the Holding Company and Subsidiaries as per Schedule III of Companies Act, 2013

Net Assets (Total Assets minus Total Liabilities)

(Rs. in Lakhs)

Name of the Company	As at March 31, 2024		As at March 31, 2023	
	As % of Consolidated net assets	Net Assets	As % of Consolidated net assets	Net Assets
Holding Company				
Metropolis Healthcare Limited	94.25%	1,03,314.09	94.91%	93,797.44
Indian Subsidiaries				
Amin's Pathology Laboratory Private Limited	1.11%	1,221.58	1.22%	1,209.15
Ekopath Metropolis Lab Services Private Limited	0.68%	750.79	0.60%	590.72
Centralab Healthcare Services Private Limited	0.81%	799.09	0.67%	658.78

Notes to consolidated financial statements
 for the year ended March 31, 2024 (Contd.)

(Rs. in Lakhs)

Name of the Company	As at March 31, 2024		As at March 31, 2023	
	As % of Consolidated net assets	Net Assets	As % of Consolidated net assets	Net Assets
Metropolis Histoxpert Digital Services Private Limited	(0.03%)	(24.84)	(0.02%)	(22.72)
Foreign Subsidiaries				
Metropolis Bramser Lab Services (Mtius) Limited	0.13%	144.59	0.16%	155.77
Metropolis Healthcare Ghana Limited	(0.31%)	(343.29)	(0.41%)	(402.68)
Metropolis Healthcare (Mauritius) Limited	(0.07%)	(74.84)	(0.26%)	(261.38)
Metropolis Star Lab Kenya Limited	4.05%	4,434.57	3.69%	3,643.08
Metropolis Healthcare Lanka Private Limited	(0.06%)	(68.17)	(0.07%)	(69.14)
Metropolis Healthcare Tanzania Limited	0.24%	265.03	0.14%	142.86
Metropolis Healthcare Uganda Limited	(0.15%)	(159.79)	(0.06%)	(54.38)
Add/(Less): Consolidation adjustment and intercompany elimination	(0.59%)	(643.26)	(0.57%)	(564.27)
Total	100.00%	1,09,615.55	100.00%	98,823.23

Notes to consolidated financial statements for the year ended March 31, 2024 (Contd.)

59. Disclosure of additional information pertaining to the Holding Company and Subsidiaries as per Schedule III of Companies Act, 2013

Share in Profit or Loss

Name of the Company	March 31, 2024						March 31, 2023					
	As % of Consolidated profit or loss	Profit/(Loss)	As % of Consolidated OCI	OCI	As % of Consolidated TCI	TCI	As % of Consolidated profit or loss	Profit/(Loss)	As % of Consolidated OCI	OCI	As % of Consolidated TCI	TCI
Holding Company												
Metropolis Healthcare Limited	90.22%	11,588.98	200.39%	(164.96)	89.51%	11,424.02	97.25%	13,894.66	471.87%	(163.72)	96.33%	13,730.94
Indian Subsidiaries												
Amin's Pathology Laboratory Private Limited	0.09%	11.54	(1.04%)	0.85	0.10%	12.40	1.85%	264.52	0.00%	-	1.86%	264.52
Ekopath Metropolis Lab Services Private Limited	0.75%	96.13	0.35%	(0.29)	0.75%	95.83	0.54%	76.50	2.06%	(0.72)	0.53%	75.79
Dr.Ganesan's Hitech Diagnostic Centre Private Limited	0.00%	-	0.00%	-	0.00%	0.01	0.00%	-	-	-	0.00	0.01
Centralab Healthcare Services Private Limited	3.05%	391.77	1.77%	(1.46)	3.06%	390.32	1.22%	174.41	-	-	0.01	174.42
Metropolis Histoxpert Digital Services Private Limited	(0.02%)	(2.11)	0.00%	-	(0.02%)	(2.10)	(0.04%)	(5.00)	-	-	(0.00)	(4.99)
Foreign Indirect Subsidiaries												
Metropolis Bramser Lab Services (Mtius) Limited	(0.05%)	(6.07)	6.21%	(5.11)	(0.09%)	(11.17)	0.22%	32.00	(37.09%)	12.87	0.31%	44.88
Metropolis Healthcare Ghana Limited	(0.83%)	(107.18)	(202.34%)	166.56	0.47%	59.39	(2.60%)	(371.21)	(320.93%)	111.35	(1.82%)	(259.86)
Metropolis Healthcare (Mauritius) Limited	1.34%	172.09	(17.56%)	14.46	1.46%	186.55	0.76%	108.09	140.31%	(48.68)	0.42%	59.41
Metropolis Star Lab Kenya Limited	6.30%	809.10	21.30%	(17.53)	6.20%	791.56	7.00%	1,000.54	(199.98%)	69.38	7.51%	1,069.91
Metropolis Healthcare Lanka Private Limited	0.54%	69.78	83.60%	(68.82)	0.01%	0.96	0.00%	(0.44)	63.03%	(21.87)	(0.16%)	(22.31)
Metropolis Healthcare Tanzania Limited	1.12%	143.30	25.67%	(21.13)	0.96%	122.16	(0.01%)	(1.31)	(26.04%)	9.04	0.05%	7.72
Metropolis Healthcare Uganda Limited	(0.84%)	(108.45)	(3.70%)	3.04	(0.83%)	(105.41)	(0.40%)	(57.60)	6.76%	(2.35)	(0.42%)	(59.95)
Non-controlling interest in all non-wholly owned subsidiaries	0.50%	63.94	(0.17%)	0.14	0.50%	64.08	(0.36%)	(51.14)	(0.42%)	0.14	(0.36%)	(50.99)
Add/(Less): Consolidation adjustment and intercompany elimination	(2.16%)	(277.26)	(14.49%)	11.93	(2.07%)	(265.38)	(5.43%)	(775.78)	0.42%	(0.14)	(5.43%)	(775.97)
Total	100.00%	12,845.56	100.00%	(82.32)	100.00%	12,763.24	100.00%	14,288.26	100.00%	(34.70)	100.00%	14,253.56

(Rs. in Lakhs)

**Notes to consolidated financial statements
for the year ended March 31, 2024 (Contd.)**

- 60.** No transactions to report against the following disclosure requirements as notified by MCA pursuant to amended Schedule III:
- (a) Crypto Currency or Virtual Currency
 - (b) Benami Property held under Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder
 - (c) Registration of charges or satisfaction with Registrar of Companies
 - (d) Relating to borrowed funds:
 - i. Wilful defaulter
 - ii. Utilisation of borrowed funds & share premium
 - iii. Borrowings obtained on the basis of security of current assets
 - iv. Discrepancy in utilisation of borrowings
 - v. Current maturity of long term borrowings
 - (e) Number of layers of companies as prescribed under clause section 87(2) of the Companies Act, 2013

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Rajesh Mehra
Partner
Membership No: 103145

Place: Mumbai
Date: May 21, 2024

For and on behalf of the Board of Directors
Metropolis Healthcare Limited
L73100MH2000PLC192798

Dr. Sushil Shah
Chairman & Executive Director
DIN: 00179918
Place : Mumbai

Surendran Chemmenkotil
Chief Executive Officer
Place: Mumbai

Subramanian Ranganathan
Independent Director
DIN:00125493
Place : Mumbai

Ameera Shah
Managing Director
DIN: 00208095
Place : Mumbai

Rakesh Agarwal
Chief Financial Officer
Place: Mumbai

Kamlesh Kulkarni
Company Secretary
Place: Mumbai



METROPOLIS HEALTHCARE LIMITED

Corporate Identity Number (CIN): L73100MH2000PLC192798

Registered Office: 4th Floor, East Wing, Plot-254 B, Nirlon House, Dr. Annie Besant Road, Worli, Mumbai - 400030, Maharashtra, India.

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E-mail: investor.relations@metropolisindia.com / secretarial@metropolisindia.com

NOTICE

NOTICE IS HEREBY GIVEN THAT THE 24TH ANNUAL GENERAL MEETING ("AGM") OF THE SHAREHOLDERS OF METROPOLIS HEALTHCARE LIMITED WILL BE HELD ON WEDNESDAY, AUGUST 21, 2024 AT 10:00 A.M. (IST) THROUGH VIDEO CONFERENCING ("VC") TO TRANSACT THE FOLLOWING BUSINESSES:

ORDINARY BUSINESS(ES):

To consider, and if thought fit, to pass resolution nos. 1 to 3 as ordinary resolutions:

1. To receive, consider and adopt the Audited Financial Statements of the Company (including consolidated financial statements) for the financial year ended March 31, 2024, together with the Reports of the Board of Directors and Auditors thereon.
2. To confirm the Interim Dividend of INR 4/- (Indian Rupees Four Only) per equity, declared by the Board share as the final dividend for the financial year 2023-24.
3. To consider appointment of a Director in place of Dr. Sushil Shah (DIN: 00179918), who retires by rotation and being eligible, offers himself for the re-appointment.

SPECIAL BUSINESS(ES):

4. **To ratify the remuneration payable to M/s. Joshi Apte & Associates, Cost Auditors of the Company for the financial year 2024-25**

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), read with the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Rules, 2014, (including any statutory modification(s) or re-enactment thereof, for the time being in force), and based on the recommendation of Audit Committee and Board of Directors at their respective meetings held on May 21, 2024, the remuneration payable to M/s. Joshi Apte & Associates, Cost Accountants (Firm Registration No. 00240), who were appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial

year 2024-25 amounting to INR 1,50,000/- (Indian Rupees One Lakh Fifty Thousand Only) plus applicable taxes and reimbursement of out of pocket expenses incurred by them in connection with the aforesaid audit, be and is hereby ratified and confirmed;

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things to the extent as may be deemed necessary and/or expedient in connection therewith or incidental thereto, to give effect to the above resolution."

5. **To approve the change in designation of Dr. Sushil Shah from Whole-Time Director to Non-Executive Non-Independent Director of the Company**

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 152 and all other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with rules made thereunder in accordance with applicable provision of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") (including any statutory modification(s) or re-enactment thereof for the time being in force), any other rules, regulations, acts, circulars and guidelines issued by any regulatory, statutory or government authority(ies) as applicable, the enabling provisions of the Articles of Association of the Company and based on the recommendations of the Nomination and Remuneration Committee, the Board of Directors and subject to such approvals and permissions as may be required, the approval of the shareholders of the Company be and is hereby accorded for the change in designation of Dr. Sushil Shah (DIN: 00179918), aged 77 (seventy seven) years, from the Whole-Time Director to Non-Executive Non-Independent Director of the Company w.e.f. the date of shareholder's approval who shall be liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto

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and to sign and execute all documents and filing of requisites forms that may be required on behalf of the Company, and generally to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to this resolution."

6. To approve the remuneration payable to Dr. Sushil Shah as Non-Executive Non-Independent Director of the Company

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 197 and all other applicable provisions of the Companies Act, 2013 ("the Act"), the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and in accordance with the applicable provision of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") (including any statutory modification(s) or re-enactment thereof for the time being in force), any other rules, regulations, Acts, circulars and guidelines issued by any regulatory, statutory or government authority(ies) as applicable, the enabling provisions of the Articles of Association of the Company and in terms of recommendation of the Nomination and Remuneration Committee and approval by the Board of Directors and subject to such approvals and permissions as may be required, the approval of the shareholders of the Company be and is hereby accorded for payment of remuneration to Dr. Sushil Shah (DIN:00179918) as Non-Executive Non-Independent Director of the Company, in the form of Consulting Fees of upto INR 1,80,00,000/- (Indian Rupees One Crore Eighty Lakhs Only) per annum for availing Consultancy services in professional capacity, notwithstanding the said amount exceeding fifty percent of the total annual remuneration payable to all the Non-Executive Directors of the Company for the financial year 2024-25.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto and to sign and execute all documents and filing of requisites forms that may be required on behalf of the Company, and generally to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to this resolution."

7. To approve the change in designation of Ms. Ameera Shah from Managing Director to Whole-Time Director in the capacity of Chairperson of the Company and revision in terms of remuneration

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198, 203 and all other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with rules made thereunder and in accordance with other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") (including any statutory modification(s) or re-enactment thereof for the time being in force), and any other rules, regulations, acts, circulars and guidelines issued by any regulatory, statutory or government authority(ies) as applicable, and in terms of recommendations of the Nomination and Remuneration Committee and approval by the Board of Directors and subject to such approvals and permissions as may be required, the approval of the shareholders of the Company be and is hereby accorded for the change in designation of Ms. Ameera Shah (DIN: 00208095) from Managing Director to Whole-Time Director in capacity of Chairperson of the Company w.e.f. May 22, 2024, for the duration of her remaining term i.e. until March 17, 2026, liable to retire by rotation, and revision in terms of remuneration as detailed below:

Terms and Conditions:

- (i) Total Remuneration: Not exceeding INR 5,22,03,640/- (Indian Rupees Five Crores Twenty Two Lakhs Three Thousand Six Hundred and Forty Only) for the period from May 22, 2024 to March 31, 2025 and INR 5,95,12,474/- (Indian Rupees Five Crores Ninety Five Lakhs Twelve Thousand Four Hundred and Seventy Four Only) for the period from April 01, 2025 to March 17, 2026 which includes basic pay, company lease accommodation, incentives, other entitlements and benefits and perquisites, if any, as per the Company's policy with the authority to the Board (which term includes any Committee constituted by the Board in this behalf) to revise / increase the same from time to time.
- (ii) Variation: Any variation to the terms and conditions of remuneration, of Ms. Ameera Shah will be subject to review and approval of the Board of Directors within the overall limit of remuneration not exceeding INR 7,00,00,000/-.(Indian Rupees Seven Crores Only) per annum, and it shall not exceed the maximum limits as stipulated under Section 197 of the Act.
- (iii) Other terms and conditions: Including notice period, insurance and duties forms part of the employment agreement.

RESOLVED FURTHER THAT the existing employment agreement between Ms. Ameera Shah and the Company be hereby amended and altered.

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RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto and to sign and execute all documents and filing of requisite forms that may be required on behalf of the Company, and generally to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to this resolution."

8. To approve the appointment of Dr. Aparna Rajadhyaksha as Non-Executive Director of the Company

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 152, 161 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with applicable rules made there under and in accordance with the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") (including any statutory modification(s) or re-enactment thereof for the time being in force) and based on the recommendation of the Nomination & Remuneration Committee and the approval of the Board of Directors, Dr. Aparna Rajadhyaksha (DIN: 10596037), who holds office upto the date of this Annual General Meeting ("AGM") and who is eligible for appointment, and in respect of whom, the Company has received a notice in writing from a member under Section 160 of the Act, proposing her candidature for the office of the Director of the Company, be and is hereby appointed as a Non-Executive Non-Independent Director of the Company w.e.f. May 22, 2024, liable to retire by rotation.

RESOLVED FURTHER THAT pursuant to the applicable provisions of Section 197 and all other applicable provisions of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and in accordance with applicable provision of the SEBI Listing Regulations (including any statutory modification(s) or re-enactment thereof for the time being in force), and any other rules, regulations, acts, circulars and guidelines issued by any regulatory, statutory or government authority(ies) as applicable, and the enabling provisions of the Articles of Association of the Company and in terms of recommendation and approval of the Nomination and Remuneration Committee and Board of Directors and subject to such approvals and permissions as may be required, the approval of the shareholders of the Company be and is hereby accorded for payment of the fees/remuneration including by way of commission

not exceeding in the aggregate 1% per annum of the net profits of the Company for each financial year as permitted to be received in a capacity of Non-Executive Director under the Act and SEBI Listing Regulations, with liberty to the Board (which includes a duly constituted Committee of the Board) to alter and vary the terms and conditions of the said remuneration as it may deem fit and in such manner as may be agreed to between the Board and Dr. Aparna Rajadhyaksha.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto and to sign and execute all documents and filing of requisite forms that may be required on behalf of the Company, and generally to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to this resolution."

9. To approve the revision in the pool size of Restrictive Stock Units (RSUs) and other terms of Metropolis – Restrictive Stock Unit Plan - 2020

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 62 and all other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Share Capital and Debenture) Rules, 2014, SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, ("SEBI SBEB & SE Regulations"), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), Foreign Exchange Management Act, 1999, ("FEMA") (including any statutory amendment, modification(s) or re-enactment thereof for the time being in force), the Memorandum and Articles of Association of the Company, any other rules, regulations and guidelines issued by any other regulatory or government authority and subject to such approvals, consents and permissions as may be required, and further subject to such terms, conditions, modifications and amendments as may be prescribed while granting such approvals, consents and permissions the approval of the shareholders of the Company be and is hereby accorded to modify or alter or amend or change or revise the terms of existing plan '**Metropolis–Restrictive Stock Unit Plan, 2020**' ("**MHL-RSU Plan 2020**") by way of increase in number of Awards/RSUs/Options convertible into equivalent number of equity shares by additional 1,50,000 (One Lakh Fifty Thousand) RSUs which will increase the existing RSU Pool under the MHL-RSU Plan 2020 to 5,20,000 (Five Lakhs Twenty Thousand) RSUs and such

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other modification w.r.t. Lock-in Period, as mentioned in the explanatory statement annexed to this notice.

RESOLVED FURTHER THAT pursuant to the provisions of the Act, SEBI SBEB & SE Regulations, SEBI Listing Regulation, FEMA (including any statutory amendment(s), modification(s) or re-enactment of the Act or the SEBI SBEB & SE Regulations or SEBI Listing Regulations or FEMA, for the time being in force) and other rules, regulations and guidelines, if any, Memorandum and Articles of Association of the Company, consent of the shareholders of the Company be and is hereby accorded to create, grant, offer, issue and allot at any time not exceeding 5,20,000 (Five Lakhs Twenty Thousand) RSUs / Equity shares Including RSUs/Equity shares already granted/allotted (or such other number adjusted for change in capital structure or corporate actions in terms of MHL-RSU Plan 2020 as per applicable law), in one or more tranches and on such terms and conditions including vesting criteria, as may be fixed or determined by the Board (including the Nomination and Remuneration Committee or any other Committee of the Board) in its sole and exclusive discretion.

RESOLVED FURTHER THAT the equity shares as are issued by the Company in the manner aforesaid shall rank pari-passu in all respects with the existing fully paid-up Equity Shares of the Company and the Board be and is hereby authorised to take necessary steps for In-principle Approval, Listing and Trading Approval of the Stock Exchanges, where the equity shares of the Company are listed in compliance with the provisions of the SEBI Listing Regulations and other applicable laws, rules and regulations.

RESOLVED FURTHER THAT the Company shall confirm to the accounting policies prescribed from time to time under SEBI SBEB & SE Regulations and any other applicable laws and regulations to the extent relevant and applicable to MHL-RSU Plan 2020.

RESOLVED FURTHER THAT the Board be and is hereby authorised to make any modification(s), change(s), variation(s), alteration(s) or revision(s) in the MHL-RSU Plan 2020, as it may deem fit, from time to time including but not limited to amendments with respect to vesting period, exercise price, eligibility criteria, vesting schedule, vesting conditions, withdraw or revive the MHL-RSU Plan 2020, as the Board may in its absolute discretion think fit, subject to applicable laws unless such modification, change, variation, alteration or revision is not detrimental to the interest of the eligible employees who have been granted Options/RSUs under the MHL-RSU Plan 2020.

RESOLVED FURTHER THAT the Board (including the Nomination and Remuneration Committee or any other Committee of the Board), be and is hereby authorized,

without prejudice to the generality of the above, but subject to the terms, as approved by the shareholders, to implement, formulate, evolve, decide upon and bring into effect the aforesaid modification to the MHL-RSU Plan 2020 and to make any further modification(s), change(s), variation(s), alteration(s) or revision(s) in the terms of the MHL-RSU Plan 2020 within the contours of the MHL-RSU Plan 2020 and shareholder's approval obtained from time to time.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things including the appointment of or authorizing or directing the appointment of various intermediaries, experts, professionals, independent agencies and other advisors, merchant bankers, valuers, consultants or representatives, being incidental to the effective implementation and administration of the MHL-RSU Plan 2020 and to delegate all or any of the powers conferred herein, to any committee of Board of Directors or to any Key Managerial Personnel, or any other officers and employees as it may deem fit to do all such acts, deeds, matters and things as also to execute such documents, writings, etc. as may be necessary to give effect to the aforesaid resolution."

10. To approve extension of the Metropolis-Restrictive Stock Unit Plan, 2020 to the eligible employees of the Subsidiary(ies) and/or Associate Company(ies), if any, of the Company.

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provision of Section 62 and all other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Share Capital and Debenture) Rules, 2014, SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, ("SEBI SBEB & SE Regulations"), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), Foreign Exchange Management Act, 1999, ("FEMA") (including any statutory amendment, modification(s) or re-enactment thereof for the time being in force), the Memorandum and Articles of Association of the Company, any other rules, regulations and guidelines issued by any other regulatory or government authority and subject to such approvals, consents and permissions as may be required, and further subject to such terms, conditions, modifications and amendments as may be prescribed while granting such approvals, consent and permissions the approval of the shareholders of the Company be and is hereby accorded to the Board (including the Nomination and Remuneration Committee or any other Committee of the Board), to extend the benefit of the 'Metropolis-Restrictive Stock Unit Plan, 2020' (the "MHL-RSU Plan 2020") to or for the benefit of such

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person(s) who are employees of Subsidiary(ies) and/or Associate Company(ies), if any, of the Company, whether working in India or outside India, and the future subsidiary and associate companies of the Company, if any, and/or to the Directors of the Subsidiary and Associate Companies whether whole-time or not but excluding Independent Director(s), (selected on the basis of criteria decided by the Board) under the MHL-RSU Plan 2020 but excluding employees who are promoters or persons belonging to the promoter group and director(s) who either himself or through his relative or through any body corporate, directly or indirectly, holds more than 10% of the outstanding equity shares of the Company.

RESOLVED FURTHER THAT pursuant to the provisions of the Act, SEBI SBEB & SEBI, FEMA (including any statutory amendment(s), modification(s) or re-enactment of the Act or the SEBI SBEB & SE Regulations or SEBI Listing Regulations or FEMA, for the time being in force) and other rules, regulations and guidelines, if any, Memorandum and Articles of Association of the Company, consent of the shareholders of the Company be and is hereby accorded to create, grant, offer, issue and allot at any time not exceeding 5,20,000 (Five Lakhs Twenty Thousand) RSUs /Equity shares Including RSUs / Equity shares already granted/allotted (or such other number adjusted for change in capital structure or corporate actions in terms of MHL-RSU Plan 2020 as per applicable law) to or for the benefit of such persons who are employees of Subsidiary and/or Associate Companies, if any, of the Company, whether working in India or outside India, and the future subsidiary and associate companies of the Company, if any, and/or to the Directors of the Subsidiary and Associate Companies whether whole-time or not but excluding Independent Directors (selected on the basis of criteria decided by the Board) under MHL-RSU Plan 2020 but excluding employees who are promoters or persons belonging to the promoter group and director(s) who either himself or through his relative or through any body corporate, directly or indirectly holds more than 10% of the outstanding equity shares of the Company, such number of Restricted Stocks Units ("RSUs/ Awards/Options") in one or more tranches and on such terms and conditions including vesting criteria, as may be fixed or determined by the Board in its sole and exclusive discretion.

RESOLVED FURTHER THAT the equity shares as are issued by the Company in the manner aforesaid shall rank pari-passu in all respects with the existing fully paid-up Equity Shares of the Company and the Board be and is hereby authorised to take necessary steps for In-principle Approval, Listing and Trading Approval of the Stock Exchanges, where the equity shares of the Company are listed in compliance with the provisions

of the SEBI Listing Regulations and other applicables laws, rules and SEBI regulations.

RESOLVED FURTHER THAT the Company shall confirm to the accounting policies prescribed from time to time under SEBI SBEB & SE Regulations and any other applicable laws and regulations to the extent relevant and applicable to MHL-RSU Plan 2020.

RESOLVED FURTHER THAT the Board (including the Nomination and Remuneration Committee or any other Committee of the Board), be and is hereby authorized, without prejudice to the generality of the above, but subject to the terms, as approved by the shareholders, to implement, formulate, evolve, decide upon and bring into effect the aforesaid modification to the MHL-RSU Plan 2020 and to make any further modification(s), change(s), variation(s), alteration(s) or revision(s) in the terms of the MHL-RSU Plan 2020 within the contours of the MHL-RSU Plan 2020 and shareholder's approval obtained from time to time.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things including the appointment of or authorizing or directing the appointment of various intermediaries, experts, professionals, independent agencies and other advisors, merchant bankers, valuers, consultants or representatives, being incidental to the effective implementation and administration of the MHL-RSU Plan 2020 and to delegate all or any of the powers conferred herein, to any committee of Board of Directors or to any Key Managerial Personnel, or any other officers and employees as it may deem fit to do all such acts, deeds, matters and things as also to execute such documents, writings, etc. as may be necessary to give effect to the aforesaid resolution."

By Order of the Board of Directors

Sd/-

Ms. Ameera Shah

Managing Director

DIN: 00208095

Place: Mumbai

Date: May 21, 2024

Registered Office:

Metropolis Healthcare Limited

(CIN: L73100MH2000PLC192798)

4th Floor, East Wing, Plot-254 B,
Nirlon House, Dr. Annie Besant
Road, Worli, Mumbai - 400030,
Maharashtra, India.

Tel: +918422 801 801

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NOTES:

1. Pursuant to General Circular No. 14/2020 dated April 08, 2020, General Circular No. 17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 05, 2020, and Circular No. 09/2023 dated September 25, 2023 respectively, issued by the Ministry of Corporate Affairs (collectively 'MCA Circulars'), SEBI Master Circular dated July 11, 2023 read with Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 07, 2023 issued by the Securities and Exchange Board of India (collectively 'SEBI Circulars') and in compliance with the provisions of the Companies Act, 2013 ('the Act') and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), the 24th Annual General Meeting ('AGM') of the Company is being conducted through VC Facility, without the physical presence of the shareholders at a common venue. The deemed venue for the 24th AGM shall be the Registered Office of the Company.
2. The Annual Report for the financial year 2023-24 and the Notice of AGM are being sent in electronic mode to those shareholders whose email addresses are registered with the Company/ Depositories. Shareholders may note that the Notice of the AGM and the Annual Report for the financial year 2023-24 will also be available on the website of the Company at www.metropolisindia.com, websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com respectively, and on the website of NSDL at www.evoting.nsdl.com
3. Shareholders who have not registered their e-mail address are requested to register the same in respect of shares held in electronic form with the Depository through their Depository Participant(s).
4. Pursuant to MCA Circulars the AGM shall be conducted through VC, the facility for appointment of proxy by the shareholders to attend and cast vote for the shareholders is not available for this AGM and hence the proxy form and attendance slip including route map are not annexed to the Notice. However, in pursuance of Section 113 of the Act, the Body Corporate member / institutional members are entitled to appoint authorised representatives to attend the AGM through VC and participate and cast their votes through e-voting. Accordingly, Institutional / Corporate Members are requested to send a scanned copy (PDF / JPEG format) of the Board Resolution/Power of Attorney authorizing its representatives to attend and vote at the AGM to the scrutinizer at vijay.yadav@avsassociates.co.in with a copy marked to rnt.helpdesk@linkintime.co.in and secretarial@metropolisindia.com
5. The shareholders can join the AGM in the VC mode 30 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
6. The attendance of the shareholders attending the AGM through VC will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
7. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Act shall be available for inspection electronically during the AGM upon login at NSDL e-Voting system at www.evoting.nsdl.com
8. Certificate from the Secretarial Auditor of the Company certifying that '**Metropolis Restrictive Stock Unit Plan, 2020**' and '**Metropolis Employees Stock Options Scheme, 2015**' are being implemented in accordance with the SEBI (Share Based Employee Benefits & Sweat Equity) Regulations, 2021 shall be available for inspection electronically during the AGM upon login at NSDL e-Voting system at www.evoting.nsdl.com
9. Explanatory Statement pursuant to Section 102(1) of the Act relating to the Special Business to be transacted at the AGM and the relevant details of Directors seeking appointment and re-appointment as required under Regulation 36(3) of the SEBI Listing Regulations, and as required under Secretarial Standards-2 on General Meetings issued by the Institute of Company Secretaries of India are annexed thereto.
10. All documents referred to in the Notice will also be available for electronic inspection without any fee by the shareholders from the date of circulation of this Notice up to the date of AGM, i.e. AGM day & date. Shareholders seeking to inspect such documents can send an email to secretarial@metropolisindia.com
11. Shareholders who would like to express their views/ask questions during the meeting may register themselves as speaker by sending their request till **August 13, 2024 (05:00 P.M.)** mentioning their name, demat account number/folio number, email ID, mobile number

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- at secretarial@metropolisindia.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries till **August 13, 2024 (05:00 P.M.)** mentioning their name, demat account number/folio number, e-mail ID, mobile number at secretarial@metropolisindia.com. These queries will be replied to by the Company suitably by e-mail.
12. In terms of the SEBI Listing Regulations, securities of listed companies can only be transferred in dematerialized form w.e.f. April 01, 2020.
 13. Shareholders holding shares in the dematerialized form are requested to intimate all changes pertaining to their bank details such as bank account number, name of the bank and branch details, MICR code and IFSC code, mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., directly to their Depositories Participants.
 14. Shareholders desiring to avail the facility of nomination in respect of shares held by them in electronic form may contact their respective Depository Participants for availing this facility.
 15. The Securities and Exchange Board of India ('SEBI') has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Shareholders holding shares in electronic form are, therefore, requested to submit the PAN to their depository participants with whom they are maintaining their demat account.
 16. In case of joint holders, the shareholders whose name appears as the first holder in the order of names as per the Register of shareholders of the Company will be entitled to vote at the AGM.
 17. Shareholders who wish to claim dividends, which have remained unclaimed, are requested to contact the Secretarial Department, at the Registered Office of the Company or office of the Registrar and Share Transfer Agent ('RTA') of the Company i.e. Link Intime (India) Private Limited. Shareholders are requested to note that dividends not claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account will be transferred to the Investor Education Protection Fund ('IEPF'), as per provisions of Section 124 of the Act (including any statutory modification(s) or re-enactment for the time being in force).
 18. Shareholders holding shares in electronic form are hereby informed that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividends. For the safety and interest of the Shareholders, it is important that bank account details are correctly provided to the Depository Participants and registered against their demat account. SEBI has made it mandatory to use the bank account details furnished by the Depositories and the bank account details maintained by the RTA for payment of dividend to the shareholders electronically. The shareholders holding shares in physical form shall be paid dividend only through electronic mode subject to their folios being KYC compliant as per the SEBI requirements.
 19. The Board of Directors have appointed Mr. Vijay Yadav (Membership No. FCS 11990) a Partner in M/s. AVS & Associates, Practicing Company Secretaries as the Scrutinizer to scrutinize the votes cast through the e-Voting system at the meeting and remote e-Voting process in a fair and transparent manner.
 20. The Scrutinizer shall submit his report to the Chairman of the Meeting or any person authorized by him within the statutory timelines. The Results declared along with the report of Scrutinizer shall be placed on the website of the Company www.metropolisindia.com and on website of NSDL www.evoting.nsdl.com immediately after declaration of results by the Chairman or person authorized by him in this behalf. The Company shall simultaneously forward the results to BSE and NSE, where the shares of the Company are listed.
 21. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI Listing Regulations (as amended), and MCA Circulars, the Company is providing facility of remote e-Voting as well as voting at the AGM to its shareholders in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited ('NSDL') for facilitating voting through electronic means, as the authorized agency.
 22. AGM will be convened through VC in compliance with applicable provisions of the Act read with MCA Circulars and SEBI Circulars, as applicable.

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THE INSTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

The remote e-Voting period begins on Saturday, August 17, 2024 at 09:00 A.M. and ends on Tuesday, August 20, 2024 at 05:00 P.M. The remote e-Voting module shall be disabled by NSDL for voting thereafter. The Shareholders, whose names appear in the Register of Shareholders/Beneficial Owners as on the record date (cut-off date) i.e. Wednesday, August 14, 2024, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Wednesday, August 14, 2024. A person who has acquired the shares and has become a shareholder of the Company after the dispatch of the Notice of the 24th AGM and prior to the Cut-off date i.e. August 14, 2024 shall be entitled to exercise his/her vote either electronically i.e. remote e-Voting or e-Voting system on the date of the AGM by following the procedure mentioned below.

How do I vote electronically using NSDL e-Voting system?


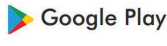


The way to vote electronically on NSDL e-Voting system consists of 'Two Steps' which are mentioned below:

Step 1: Access to NSDL e-Voting system:

A) Login method for e-Voting and joining virtual meeting for Individual Shareholders holding securities in demat mode

In terms of SEBI circular dated December 09, 2020 on e-Voting facility provided by Listed Companies, Individual Shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email ID in their demat accounts in order to access e-Voting facility.

Login method for Individual Shareholders holding securities in demat mode is given below:

Type of Shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsd.com either on a Personal Computer or on a mobile. On the e-Services home page click on the 'Beneficial Owner' icon under 'Login' which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on 'Access to e-Voting' under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select 'Register Online for IDeAS Portal' or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon 'Login' which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Shareholders/Shareholders can also download NSDL Mobile App 'NSDL Speede' facility by scanning the QR code mentioned below for seamless voting experience. <p>NSDL Mobile App is available on</p> <p>   </p> <div style="display: flex; justify-content: space-around; align-items: center;">   </div>

NOTICE (Contd.)

Type of Shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing my easi username & password. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-Voting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Shareholders who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Shareholders facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Shareholders facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

B) Login Method for e-Voting and joining virtual meeting for Shareholders other than Individual Shareholders holding securities in demat mode and Shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- Once the home page of e-Voting system is launched, click on the icon 'Login' which is available under 'Member/ Member' section.
- A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

NOTICE (Contd.)

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For shareholders who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For shareholders who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For shareholders holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for Shareholders other than Individual Shareholders are given below:

- If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- How to retrieve your 'initial password'?
 - If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email IDs are not registered.**

6. If you are unable to retrieve or have not received the 'Initial password' or have forgotten your password:

- Click on **'Forgot User Details/Password?'**(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com
- Physical User Reset Password?' (If you are holding shares in physical mode) option available on www.evoting.nsdl.com
- If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
- Shareholders can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to 'Terms and Conditions' by selecting on the check box.

8. Now, you will have to click on 'Login' button.

9. After you click on the 'Login' button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

- After successful login at Step 1, you will be able to see all the companies 'EVEN' in which you are holding shares and whose voting cycle and General Meeting is in active status.
- Select 'EVEN' of company for which you wish to cast your vote during the remote e-Voting period and during the General Meeting. For joining virtual meeting, you need to click on 'VC/OAVM' link placed under 'Join Meeting'.
- Now you are ready for e-Voting as the Voting page opens.
- Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on 'Submit' and also 'Confirm' when prompted.

NOTICE (Contd.)

5. Upon confirmation, the message 'Vote cast successfully' will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be able to modify your vote.

General Guidelines for Shareholders

1. Institutional Shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to vijay.yadav@avsassociates.co.in with a copy marked to evoting@nsdl.com. Institutional Shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on 'Upload Board Resolution / Authority Letter' displayed under 'e-Voting' tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the 'Forgot User Details/Password?' or 'Physical User Reset Password?' option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for shareholders and e-Voting user manual for shareholders available at the download section of www.evoting.nsdl.com or call on: 022 - 4886 7000 or send a request to Ms. Pallavi Mhatre, Senior Manager at evoting@nsdl.com

Process for those shareholders whose email IDs are not registered with the depositories for procuring user ID and password and registration of e mail IDs for e-Voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to secretarial@metropolisindia.com
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to secretarial@metropolisindia.com. If you are an Individual Shareholder holding securities

in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting and joining virtual meeting for Individual Shareholders holding securities in demat mode.**

3. Alternatively, shareholders may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 09, 2020 on e-Voting facility provided by Listed Companies, Individual Shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR SHAREHOLDERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:

1. The procedure for e-Voting on the day of AGM is same as the instructions mentioned above for remote e-Voting.
2. Only those shareholders, who will be present in the AGM through VC facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Shareholders who have voted through remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of AGM shall be the same person mentioned for remote e-Voting.

INSTRUCTIONS FOR SHAREHOLDERS FOR ATTENDING THE AGM THROUGH VC ARE AS UNDER:

1. Shareholders will be provided with a facility to attend the AGM through VC through the NSDL e-Voting system. Shareholders may access by following the steps mentioned above for access to **NSDL e-Voting system**. After successful login, you can see link of 'VC' placed under '**Join meeting**' menu against company name. You are requested to click on VC link placed under Join Meeting menu. The link for VC will be available in Member/Member login where the EVEN of Company will be displayed. Please note that the shareholders who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Shareholders are encouraged to join the Meeting through Laptops for better experience.

NOTICE (Contd.)

3. Further, shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot, may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views have questions may send their questions in advance mentioning their name, demat account number/folio number, email ID, mobile number at secretarial@metropolisindia.com. The same will be replied by the Company suitably.
6. Only those shareholders, who are present in the AGM through VC facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
7. If any votes are cast by the shareholders through e-Voting available during the AGM and if the same shareholders have not participated in the meeting through VC facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-Voting during the meeting is available only to the shareholders attending the AGM.

NOTICE (Contd.)

Explanatory Statement

As required by Section 102 of the Companies Act, 2013 ("the Act"), the following Statement sets out all material facts relating to the Special Businesses mentioned in the accompanying Notice

Item No. 4: Ratify the remuneration payable to M/s. Joshi Apte & Associates, Cost Auditors of the Company for the financial year 2024-25

On the recommendation of the Audit Committee, the Board of Directors at their Meeting held on May 21, 2024, approved the appointment of M/s. Joshi Apte & Associates, Cost Accountants, (Firm Registration No. 00240), as Cost Auditors of the Company to conduct the audit of the Cost records of the Company for the financial year 2024-25 at a remuneration of INR 1,50,000/- (Indian Rupees One Lakh Fifty Thousand Only) plus applicable taxes and reimbursement of out of pocket expenses.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014 and Companies (Cost Records and Audit) Rules, 2014, the remuneration payable to Cost Auditor has to be ratified by the shareholders of the Company.

Accordingly, the Board of Directors recommends passing of an Ordinary Resolution as set out in Item No. 4 of the accompanying Notice relating to the ratification of the remuneration payable to the Cost Auditors of the Company for the financial year 2024-25.

None of the Directors, Key Managerial Personnel and/ or their relatives are, in any way, concerned or interested financially or otherwise, in the above resolution.

Item No. 5 & 6: Change in designation of Dr. Sushil Shah from Whole-Time Director to Non-Executive Non-Independent Director of the Company and payment of remuneration

Dr. Sushil Shah, Promoter Director aged seventy- seven (77) year, currently serves as the Chairman Emeritus & Whole-time Director of the Company. To ensure smooth transition of leadership within the organization and for renewed direction, Dr. Sushil Shah expressed his interest in moving from the position of Whole-time Director to Non-Executive Director of the Company. On recommendation of the Nomination and Remuneration Committee, the Board of Directors at their meeting held on May 21, 2024, appointed him as Chairman Emeritus w.e.f. May 22, 2024, as well as re-designated him from the position of 'Whole-Time Director' to 'Non-Executive Non-Independent Director' of the Company effective from the date of approval of the Shareholders.

Dr. Sushil Shah holds a Bachelor's degree in Medicine and Surgery, as well as a Doctor of Medicine degree in Pathology and Bacteriology from the University of Bombay. Dr. Shah has received several prestigious awards including

the 'Maharashtra Gaurav Award' from the Government of India, the 'Lifetime Achievement Award' at the Six Sigma Healthcare Excellence Awards, the 'Rajiv Gandhi Excellence Award' from the Indian Solidarity Council, and the 'Rashtriya Chikitsak Ratna' Award from the National Education & Human Development Organization.

Under the aegis of Dr. Sushil Shah as a Whole-time Director, the Company had a significant growth trajectory and expansion and has built its name as a reputed and trusted pathology brand all across India and markets in Africa.

As Chairman Emeritus and Non-Executive Director, Dr. Sushil Shah will continue to guide the Board and Senior Management. Dr. Shah's comprehensive understanding of the industry, extensive network, and seasoned perspective will contribute significantly to the Company's stability, growth and success.

The Board at its meeting held on May 21, 2024, on recommendation of the Nomination and Remuneration Committee and approval of the Audit Committee, approved and further recommend to the shareholders for their approval, availing of consultancy services from Dr. Sushil Shah in professional capacity at a remuneration of upto INR 1,80,00,000/- (Indian Rupees One Crore Eighty Lakhs Only) per annum, w.e.f. re-designation of Dr. Shah from Whole-time Director to Non-Executive Non-Independent Director of the Company.

In accordance with the applicable provision of SEBI Listing Regulations read with Section 152 and all other applicable provisions along with rules made there under, if any, of the Act (including any statutory modification or re-enactment thereof for the time being in force), approval of shareholders is required for appointment of director who is of 75 years or above by way of Special Resolution. Therefore, the approval of shareholders is being sought for change in designation of Dr. Sushil Shah from Whole-Time Director to Non- Executive Director by way of Special Resolution.

In accordance with the applicable provision of SEBI Listing Regulations, the approval of shareholders by way of Special Resolution is required if the remuneration of a single Non-Executive Director exceeds fifty per cent of the total annual remuneration payable to all Non-Executive Director. Since, the annual remuneration payable to Dr. Shah as Non-Executive Director for the financial year 2024-25 (on proportionate basis) is likely to exceed fifty percent of the total annual remuneration payable to all Non-Executive Directors of the Company, the approval of shareholders is sought through the Special Resolution.

NOTICE (Contd.)

Dr. Sushil Shah is not disqualified to continue as a Director in terms of Section 164 of the Act and has given his consent to act as a Non-Executive Director of the Company. He is not debarred from holding the office of a Director by the virtue of any order of the SEBI or any other such authority.

The Audit Committee of the Company, comprising of all Independent Directors, considered and granted their approval for entering a proposed related party transaction with Dr. Sushil Shah, after evaluation of arm's length criteria, w.r.t. to availing of consultancy services in the professional capacity, upon his re-designation as Non-Executive Non-Independent Director.

Details of the Director as required under the Act and Regulation 36 of the SEBI Listing Regulations read with Secretarial Standards-2 issued by Institute of Company Secretaries of India is enclosed in Annexure A to this Notice.

Save and except Dr. Sushil Shah, Ms. Ameera Shah, Dr. Aparna Rajadhyaksha and Mr. Hemant Sachdev, and his relatives to the extent of their shareholding interest, if any, in the Company, none of the other Directors, Key Managerial Personnel of the Company and their relatives are in any way concerned or interested, financially or otherwise, in the Resolution set out at Item No. 5 and 6 of the Notice.

The Board recommends the Special Resolutions set out at Item No. 5 and 6 of the Notice for approval of the shareholders.

Item No. 7: Change in designation of Ms. Ameera Shah from Managing Director to Whole-Time Director in capacity of Chairperson of the Company and revision in terms of remuneration

On the recommendation of the Nomination and Remuneration Committee and the Board of Directors, Ms. Ameera Shah was re-appointed as Managing Director for a period of five years w.e.f. March 18, 2021 to March 17, 2026, by the shareholders vide special resolution passed at the 21st Annual General Meeting held on August 11, 2021.

To facilitate seamless transition, within the organization and to focus more specifically on strengthening governance, strategizing capital allocation including driving the M&A activities, acquiring talent and fostering the culture at Metropolis, it is proposed to re-designate Ms. Ameera Shah as Chairperson of the Company.

Ms. Ameera Shah holds degree in finance from the University of Texas at Austin and completed the Owner-President Management Program at Harvard Business School. Ms. Ameera Shah is an Independent Director on the board of reputed Indian listed companies (Torrent Pharma and ACC). She is currently serving as the Sr. Vice-President of NATHealth (Healthcare Federation of India). She has been bestowed with multiple awards including the 'Entrepreneur

of the Year (2021) – Healthcare by Ernst & Young, the 'Asia's Power Businesswoman (2020)' by Forbes Asia, the 'Fifty most powerful women in business (2018, 2019, 2020, 2021, 2022)' by Business today, 'Prestigious Corporate Woman Leader' of the year award at the CII Corporate Women Leadership Awards 2022 for her outstanding performance & excellence in diagnostics business and entrepreneurship from various reputed organizations.

As a Chairperson and Whole-Time Director she will focus on expansion of business through organic and in organic strategy, develop policies and strategies to attract, manage and retain the talent pool for next level amongst the others with emphasis on value creation for all stakeholders.

Considering her contribution at Metropolis over the years and Company's growth under her leadership and on the recommendation of the Nomination and Remuneration Committee, the Board of Directors at its meeting held on May 21, 2024, approved the change in designation of Ms. Ameera Shah from Managing Director to Whole-Time Director in capacity of Chairperson of the Company w.e.f. / May 22, 2024 for her remaining term, liable to retire by rotation, on such terms and conditions including remuneration as detailed below, and subject to approval of the shareholders:

- (i) Total Remuneration:** Not exceeding INR 5,22,03,640/- (Indian Rupees Five Crores Twenty Two Lakhs Three Thousand Six Hundred and Forty Only) for the period from May 22, 2024 to March 31, 2025 and INR 5,95,12,474/- (Indian Rupees Five Crores Ninety Five Lakhs Twelve Thousand Four Hundred and Seventy Four Only) for the period from April 1, 2025 to March 17, 2026 which includes basic pay, company lease accommodation, incentives, other entitlements and benefits and other perquisites, if any, as per the Company policy with the authority to the Board (which term includes any Committee constituted by the Board in this behalf) to revise/ increase the same from time to time.
- (ii) Variation:** Any variation to the terms and conditions of remuneration of Ms. Ameera Shah will be subject to review and approval of the Board of Directors within the overall limit of remuneration not exceeding INR 7,00,00,000/- (Indian Rupees Seven Crores Only) per annum, and it shall not exceed the maximum limits as stipulated under Section 197 of the Act.
- (iii) Other terms and conditions:** Including notice period, insurance and duties forms part of the employment agreement.

The remuneration payable to Ms. Ameera Shah is within the limits prescribed under the Act. The Board believes, her remuneration is commensurate with the size of business of the Company. The employment agreement will be available for inspection by the shareholders without any fees.

NOTICE (Contd.)

Ms. Ameera Shah is not disqualified to continue as a Director in terms of Section 164 of the Act and has given her consent to act as a Whole-time Director of the Company. She is not debarred from holding the office of a Director by the virtue of any order of the SEBI or any other such authority.

Details of the Director as required under the Act and Regulation 36 of the SEBI Listing Regulations read with Secretarial Standards-2 issued by Institute of Company Secretaries of India is enclosed in "**Annexure-B**" to this Notice.

Save and except Ms. Ameera Shah, Dr. Sushil Shah, Dr. Aparna Rajadhyaksha and Mr. Hemant Sachdev, and her relatives to the extent of their shareholding interest, if any, in the Company, none of the other Directors, Key Managerial Personnel of the Company and their relatives are in any way concerned or interested, financially or otherwise, in the Resolution set out at Item No. 7 of the Notice.

The Board recommends the Special Resolution set out at Item No. 7 of the Notice for approval of the Shareholders.

Item No. 8: Appointment of Dr. Aparna Rajadhyaksha as Non-Executive Director of the Company

The Board of Directors at its meeting held on May 21, 2024, on recommendation of the Nomination and Remuneration Committee, as measure to strengthen the Board Diversity in terms of experience, expertise, and expert knowledge, and based on the criteria identified as per the Nomination and Remuneration Policy (NRC Policy), appointed Dr. Aparna Rajadhyaksha, as an Additional Director (Non-Executive Non-Independent) of the Company w.e.f. May 22, 2024, subject to the approval of the shareholders of the Company by way of Ordinary Resolution.

Dr. Aparna holds an M.D., M.B.B.S. degree from the University of Mumbai, D.Y. Patil Medical College, Mumbai, India, with specialized training in Clinical Pathology from Tufts University, Baystate Medical Center, and Medical Genetics from the University of Miami. Additionally, she possesses an Executive MBA from Quantic School of Business and Technology, accumulating over 20 years of extensive experience in the medical field.

In line with the Company's NRC Policy, on the recommendation of the Nomination and Remuneration Committee, and approval of the Board Dr. Aparna shall be entitled to receive the fees/ remuneration including by way of commission not exceeding in the aggregate 1% per annum of the net profits of the Company for each financial year as permitted under the Act and SEBI Listing Regulations.

The Company has received a notice under Section 160 of the Act from a shareholder, proposing the appointment of Dr. Aparna as Non-Executive Non-Independent Director of the Company. Dr. Aparna has given her consent to act as a Director of the Company and has confirmed that (i) she is not disqualified from being appointed as Director; and (ii) she is not debarred from holding the office of a director by the virtue of any order of the SEBI or any other such authority. The Nomination and Remuneration Committee, alongside the Board of Directors, acknowledge that Dr. Aparna's skills and capabilities for the role as a Board member will significantly benefit the Company and its stakeholders. Given her vast experiences and qualifications in the medical domain, her engagement for consultancy services is deemed crucial to further enhancing the Company's prospects.

Dr. Aparna Rajadhyaksha's brief profile and other details as required under the Act and Regulation 36 of the SEBI Listing Regulations, read with Secretarial Standards-2 issued by Institute of Company Secretaries of India is enclosed in "**Annexure-D**" to this Notice.

Save and except Dr. Aparna Rajadhyaksha, Dr. Sushil Shah, Ms. Ameera Shah and Mr. Hemant Sachdev, and her relatives to the extent of their shareholding interest, if any, in the Company, none of the other Directors, Key Managerial Personnel of the Company and their relatives are in any way concerned or interested, financially or otherwise, in the Resolution set out at Item No. 8 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 8 of the Notice for approval of the Shareholders.

Item No. 9 & 10: Increase in the pool size of Restrictive Stock Units (RSUs) and other terms of the Metropolis – Restrictive Stock Unit Plan - 2020 and to extend the benefit of the Metropolis-Restrictive Stock Unit Plan, 2020 to the Eligible Employees of the Subsidiary(ies) and/or Associate Company(ies):

The Company had introduced the 'Metropolis-Restrictive Stock Unit Plan, 2020' (the 'MHL-RSU Plan 2020/ RSU Plan'). The MHL-RSU Plan 2020 was approved by the shareholders of the Company vide special resolution passed by way of Postal Ballot on April 06, 2020, and was further amended by the shareholders of the Company vide special resolution passed at the Annual General Meeting held on August 17, 2022, for the eligible employees of the Company, its Subsidiary Company(ies) and Associate Company(ies).

NOTICE (Contd.)

The Company maintains a balance between fixed and variable pay of its key workforce, delivering long-term sustained business growth and performance. In order to motivate the key work force seeking their contribution to the corporate growth, to create an employee ownership culture, to attract new talents, and to retain them for ensuring sustained growth, the Company has linked the reward of key employees with the RSU Plan. The Nomination and Remuneration Committee based on well laid criteria, grants stock units to the key employees, on such terms and condition as it may deem fit, from time to time, to create employee ownership and high-performance culture by enabling value creation.

The shareholders of the Company, through Postal Ballot on April 06, 2020, inter-alia, approved 2,70,000 RSUs as the maximum quantum of stock units to be granted under the RSU Plan ('RSU Pool'). This was further increased by the shareholders at the Annual General Meeting held on August 17, 2022, to 3,70,000 RSUs by way of creation of additional 1,00,000 RSUs. As per the terms & conditions of the RSU Plan, the NRC has granted stock units to the eligible employees from time to time, over a period of 4 years, and the balance in the RSU Pool is nearing exhaustion.

The environment of the industry in which the Company operates is shaped by several factors, including technological advancements, regulatory frameworks, market dynamics and the evolving needs of healthcare. Considering the industry environment, it has become imperative for the Company to attract and retain a talent pool to drive ownership mind-set which is aligned to the long-term growth of the Company and stakeholders' interests. It is important to have a broad-based coverage of RSUs to attract and retain key work force.

Based on the recommendation of the Nomination and Remuneration Committee and subject to the approval of the shareholders, the Board of Directors of the Company, at its meeting held on May 21, 2024, approved the proposed increase in total quantum of RSUs to be granted under the MHL-RSU Plan 2020 by 1,50,000 RSUs i.e. from 3,70,000 RSUs to 5,20,000 RSUs. Since each RSU when exercised would be converted into one equity share of face value of INR 2/- each fully paid up, the proposed increase in number of RSUs i.e. 1,50,000 RSUs represent 0.29% of the paid-up equity capital of the Company as of March 31, 2024, which is a reasonable number given the scale and size of the Company and trends of RSUs granted in the past.

Further, approval is also sought for the extension of the benefit of MHL-RSU Plan 2020 to or for employees of Subsidiary(ies) and/or Associate Company(ies), if any, of the Company, whether working in India or outside India, and the future subsidiary and associate companies of the Company. Additionally, during implementation of MHL-RSU Plan 2020,

the Company has faced administrative challenges in relation to Lock-in period of allotted shares. Hence, considering the administrative challenges, the existing Section 24 of MHL-RSU Plan 2020, which has a restriction of minimum lock-in period of 50% of shares received after exercising the RSU for up to 1 year from allotment. If the participant resigns or is terminated (except for misconduct) then 100% of shares will be locked in for 1 year from allotment, was amended by the Board of Directors, subject to approval of the shareholders of the Company, to substitute with the following new provision:

- **Section 24 - Lock-in Period:** The shares issued upon the exercise of restricted stock units shall be freely transferable and shall not be subject to any lock-in period restriction after such exercise.

The aforesaid proposed variations are not detrimental / prejudicial to the interests of the eligible employees of the Company. The beneficiaries of such variation shall be eligible option grantee(s) to whom options would be granted in future.

Given the details of alterations amendments and rationale thereof, consent of the shareholders of the Company is being sought by way of a Special Resolution pursuant to Regulation 7 of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SEBI SBEB & SE Regulations") and Section 62 of Act and all other applicable provisions, if any, of the Act.

A copy of the MHL-RSU Plan 2020 incorporating the aforesaid modification/alteration shall be also available for inspection by the Shareholders at website of the Company at www.metropolisindia.com. Further, shareholders can also send an e-mail to secretarial@metropolisindia.com mentioning their name, Folio No. / Client ID and DP ID to get copy of the amended plan for their inspection and review.

Disclosures pursuant to SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ('SEBI SBEB & SE Regulations') and the Companies Act, 2013 (including any statutory amendment(s), modification(s) or re-enactment of the Act or the Guidelines, for the time being in force), are as under:

a) Brief description of the scheme(s): This plan called the Metropolis-Restrictive Stock Unit Plan, 2020 ('MHL-RSU Plan 2020') provides alternatives to the Company to grant incentives to eligible employees. The objectives of the Company for providing Employee Incentive Scheme are to:

1. Attract, retain and motivate talented and critical employees;
2. Incentivize employees to contribute towards the growth of the Company;

NOTICE (Contd.)

3. Greater loyalty and motivation while aligning the incentives of various stakeholders;
 4. Encourage employees to contribute towards the growth of the Company; and
 5. Reward employee performance with ownership in proportion to their contribution.
- b) The total number of options, SARs, shares or benefits, as the case may be, to be offered and granted:** At present the RSU Pool under the MHL-RSU Plan 2020 is 370,000 RSUs which is nearing exhaustion. Accordingly, it is proposed to enhance the RSU Pool by 150,000 RSUs, the ceiling would be 5,20,000 (Five Lakhs Twenty Thousand) RSUs. Each RSU when exercised would be converted into one equity share of face value of INR 2/- each fully paid up.
- c) Identification of classes of employees entitled to participate and be beneficiaries in the Plan:** Following classes of employees, shall be eligible to participate in the MHL-RSU Plan 2020:
- i. An employee as designated by the Company, who is exclusively working in India or outside India;
 - ii. A Director of the Company, whether a whole-time director or not, including a non-executive director who is not a promoter or member of the promoter group, but excluding an independent director; or
 - iii. An employee as defined in sub-clauses (i) or (ii), of a group company including subsidiary or its associate company, in India or outside India, but does not include:
 - (a) an employee who is a promoter or a person belonging to the promoter group; or
 - (b) a director who, either himself or through his relative or through any body corporate, directly or indirectly, holds more than 10% of the outstanding equity shares of the Company.

The eligibility of an employee shall be determined by the Nomination and Remuneration Committee.
- d) Requirements of Vesting & Period of Vesting and Maximum Period within which the options / SARs / benefits shall be vested:** The RSUs granted under the MHL-RSU Plan 2020 shall vest based upon the performance parameters the relative weight of which shall be determined by the Nomination & Remuneration Committee ('NRC or Committee') as per the criteria mentioned in the Plan. The detailed terms and conditions relating to such criteria for vesting, the period over which and the proportion in which the RSUs granted would vest will be subject to the minimum and maximum vesting period as specified below:
- i. There shall be minimum period of one year between the grant of RSU and vesting of RSU;
 - ii. The vesting period may extend upto 4 years or such period as may be decided by the NRC; and
 - iii. The vesting shall happen in one or more tranches as may be decided by the NRC.
- e) Exercise price, SAR price, purchase price or pricing formula:** The exercise shall be determined by the NRC at the time of grant. The Committee may determine exercise price which may be at discount to the fair market value/ or the market value but shall not be less than the face value of shares, except for bonus awards/ options.
- f) Exercise period/offer period and process of exercise/ acceptance of offer:** The exercise period would commence after vesting and will expire on completion of 5 (five) years from the date of respective vesting or such other shorter period as may be decided by the Committee from time to time. The vested Option shall be exercisable by the Option grantees by a written application to the Company expressing his/ her desire to exercise such Options in such manner and in such format as may be prescribed by the Committee from time to time. Exercise of Options shall be entertained only after payment of requisite exercise price and satisfaction of applicable taxes by the Option grantee. The Options shall lapse if not exercised within the specified exercise period.
- g) Appraisal process for determining the eligibility of employees for the Plan:** The appraisal process for grant of Options/RSU under the plan will be determined by the NRC and it shall be based upon the criteria such as the length of service, grades and role criticality, level of employee and performance of employee, etc.
- h) Maximum number of RSUs, SARs, shares, as the case may be, to be offered and issued per employee and in aggregate, if any:** The maximum number of RSUs granted/to be granted under MHL-RSU Plan 2020 to each employee in any year, shall in aggregate, neither be equal to 1% (one percent) nor exceed 1% (one percent of the issued equity share capital). If the number of RSUs that may be offered to any specific employee shall exceed 1% (one percent) or more of the issued capital (excluding warrants & conversion) of the Company at the time of grant of RSUs, then the Company shall take prior approval from shareholders of the Company.

NOTICE (Contd.)

- i) **Maximum quantum of benefits to be provided per employee under the Plan:** The maximum quantum of benefits to be granted to an employee under the Plan, will be the difference between the fair value of shares as on the date of exercise and exercise price paid by the employee, subject to applicable taxes.
- j) **Whether the Plan is to be implemented and administered directly by the Company or through a trust:** The Company shall directly implement and administer the MHL-RSU Plan 2020 through the Board / NRC.
- k) **Whether the Plan involves new issue of shares by the Company or secondary acquisition by the trust or both:** The MHL-RSU Plan 2020, contemplates only the issue of fresh/primary shares by the Company. There is no involvement of trust and therefore there will not be any secondary acquisition.
- l) **The amount of loan to be provided for implementation of the Plan by the Company to the trust, its tenure, utilization, repayment terms, etc.:** Not Applicable, since at present the Plan is implemented directly by the Company.
- m) **Maximum percentage of secondary acquisition (subject to limits specified under the regulations) that can be made by the trust for the purposes of the Plan:** Not Applicable.
- n) **A Statement to the effect that the Company shall conform to the accounting policies specified in Regulation 15:** The Company shall follow the laws/regulations applicable to accounting and disclosure related to the Employee Stock Options and Accounting Standards IND AS 102 on Share-based payments and/or any relevant accounting standards as may be prescribed by the Central Government in terms of Section 133 of the Companies Act, 2013 including any 'Guidance Note on Accounting for employee share-based Payments' issued in that regard from time to time and /or any relevant Accounting Standards as may be prescribed by the Institute of Chartered Accountants of India ('ICAI') from time to time, including the disclosure requirements prescribed therein, in compliance with relevant provisions of Regulation 15 of SEBI SBEB & SE Regulations.
- o) **Method for valuation of RSUs:** The Company uses such valuation method(s) as may be prescribed from time to time in accordance with applicable laws for valuation of the RSUs granted, to calculate the employee compensation cost.
- p) **Statement with regard to Disclosure in Director's Report:** As the Company is adopting fair value method, presently there is no requirement for disclosure in Boards' Report. In case the Company opts for expensing of share-based employee benefits using the intrinsic value, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value, shall be disclosed in the Directors' report and the impact of this difference on profits and on Earnings Per Share ('EPS') of the Company shall also be disclosed in the Boards' Report.
- q) **Period of lock-in:** At present there is a restriction of minimum lock-in period of 50% of shares received after exercising the RSU for up to 1 year from allotment. Accordingly, it is proposed that the shares issued upon the exercise of restricted stock units shall be freely transferable and shall not be subject to any lock-in period restriction after such exercise.
- r) **Terms & conditions for buyback, if any, of specified securities covered under these regulations:** Not Applicable.
- s) **The conditions under which Options/RSUs vested in employees may lapse e.g. in case of termination of employment for misconduct and the specified time period within which the employee shall exercise the vested options in the event of a proposed termination of employment or resignation of employee:** If an Option/RSU holder's employment is terminated with the Company for 'Cause' (as specified in the 'MHL-RSU Plan 2020') (Cause includes acts such as e.g. misconduct, fraud, misrepresentation etc. as detailed in the MHL-RSU Plan 2020, then all the vested options (but not exercised) and unvested options or unexercised RSUs and exercised but not allotted RSUs shall lapse and be cancelled/forfeited forthwith. The Company shall not have any obligation towards such lapsed Options/RSUs.
If an Option/RSU holder's employment is terminated with the Company for any other reasons other than the 'Cause' (as specified in the MHL-RSU Plan 2020), then all the unvested Options/RSUs shall lapse on the date of termination/resignation of the employee. As regards the vested Options/RSUs, the Option/RSU holder shall be entitled to exercise the vested Options/RSUs within 60 calendar days from the date of termination/resignation, failing which such vested Options/RSUs shall lapse and be cancelled forthwith. There shall be no further obligation of the Company towards the Option/RSU holder with regard to lapsed Options/RSUs.

NOTICE (Contd.)

t) Any interest of Key Managerial Personnel, Directors or Promoters in the Plan and effect thereof:

As per the SEBI SBEB & SE Regulations, the Promoters and Independent Directors of the Company are not entitled to any stock options. The Key Managerial Personnel and Non-Independent Directors, who meet the criteria of eligible employees as prescribed in the Plan, of the Company may be deemed to be concerned or interested in the Plan to the extent of RSUs that may be granted to them pursuant to the Plan.

u) Detailed particulars of benefits which will accrue to the Employees from the implementation of the Plan:

The eligible employees will be entitled to exercise the RSUs granted to them at the exercise price during the exercise period as provided in the Plan.

None of the Directors or Key Managerial Personnel of the Company including their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed Resolution except to the extent of grant of shares that may be made to them, if any, under the Plan.

The Board recommends the Special Resolutions set out at Item No. 9 and 10 of the Notice for approval of the Shareholders.

By Order of the Board of Directors

Sd/-

Ms. Ameera Shah

Managing Director

DIN: 00208095

Place: Mumbai

Date: May 21, 2024

Registered Office:**Metropolis Healthcare Limited**

(CIN: L73100MH2000PLC192798)

4th Floor, East Wing, Plot-254 B,
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Maharashtra, India.

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NOTICE (Contd.)

Information as required under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards-2 for appointment / re-appointment of Directors is provided below :

Dr. Sushil Shah:

Name of the Director	Dr. Sushil Shah
DIN	00179918
Date of Birth & Age	December 29, 1946, 77 years
Date of Appointment	August 17, 2005
Date of appointment at current designation	September 04, 2020
Category	Whole-time Director
Brief Resume along with Qualification and Nature of expertise in specific functional areas and Experience	Dr. Sushil Shah holds Bachelor's degree in Medicine and Surgery and Ph.D Medicine in Pathology and Bacteriology from the University of Bombay. He has over four decades of experience in the pathology business.
Terms and conditions of appointment/ reappointment	Re-appointment as Director as liable to retire by rotation and change in designation to Non-Executive Non-Independent Director. The detailed terms and conditions, including remuneration, is provided as part of the resolution and explanatory statement.
Number of shares held in the Company	12,82,058
Remuneration to be paid	INR 1,80,00,000/- per annum
Directorship held in other Companies	Refer Annexure A
Memberships/ Chairmanships of Committees of other Companies	Refer Annexure A
Relationships between Directors inter-se	Father of Ms. Ameera Shah, Managing Director of the Company and Dr. Aparna Rajadhyaksha, Additional Non-Executive Non-Independent Director and Father in Law of Mr. Hemant Sachdev, Non-Executive Non-Independent Director of the Company.
Last drawn Remuneration and No. of Board Meetings attended during the year	Details of remuneration last drawn by Dr. Sushil Shah and the number of Board / Committee meetings attended during the financial year 2023-24 are provided in the Corporate Governance Report which forms a part of the Annual Report.

Annexure A – Details of other Directorships and Committee memberships held by Dr. Sushil Shah:

No.	Name of the Company in which he is a Director	Details of Committee Membership / Chairmanship in the Company
1.	Metropolis Healthcare Limited	Member of Stakeholders Relationship Committee

Ms. Ameera Shah:

Name of the Director	Ms. Ameera Shah
DIN	00208095
Date of Birth & Age	September 24, 1979, 44 years
Date of Appointment	May 06, 2008
Date of appointment at current designation	March 18, 2021
Category	Managing Director

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Brief Resume along with Qualification and Nature of expertise in specific functional areas and Experience	Ms. Ameera Shah holds a degree in finance from the University of Texas at Austin. She has completed the Owner-President Management Program at Harvard Business School. She has expertise in the field of diagnostics and has a better understanding about complexities of the healthcare sector. She has over two decades of experience in this business.
Terms and conditions of appointment/ reappointment	Change in designation to Whole-time Director. The detailed terms and conditions, including remuneration, is provided as part of the resolution and explanatory statement.
Number of shares held in the Company	1,81,845
Remuneration to be paid	INR 5,22,03,640/- per annum for the period from May 22, 2024, to March 31, 2025, and INR 5,95,12,474/- per annum for the period from April 1, 2025, to March 17, 2026. As per the resolution at item no. 7 of the notice convening this meeting read with explanatory statement thereto
Directorship held in other Companies	Refer Annexure B
Memberships/ Chairmanships of Committees of other Companies	Refer Annexure B
Listed entity in which Director has resigned in past three years	Refer Annexure C
Relationships between Directors inter-se	Daughter of Dr. Sushil Shah, Whole-Time Director of the Company, Sister of Dr. Aparna Rajadhyaksha, Additional Non-Executive Non-Independent Director and spouse of Mr. Hemant Sachdev, Non-Executive Non-Independent Director of the Company.
Last drawn Remuneration and No. of Board Meetings attended during the year	Details of remuneration last drawn by Ms. Ameera Shah and the number of Board / Committee meetings attended during the financial year 2023-24 are provided in the Corporate Governance Report which forms a part of the Annual Report.

Annexure B – Details of other Directorships and Committee memberships held by Ms. Ameera Shah:

No.	Name of the Company(ies) in which he is a Director	Details of Committee Membership / Chairmanship in the Company
1.	Metropolis Healthcare Limited	- Chairperson of Risk Management Committee - Member of Stakeholders Relationship Committee - Member of Corporate Social Responsibility Committee
2.	Metropolis Health Products Retail Private Limited	-
3.	Centralab Healthcare Services Private Limited	-
4.	Metropolis Histoexpert Digital Services Private Limited	-
5.	ACC Limited	-
6.	Torrent Pharmaceuticals Limited	- Member of Audit Committee - Member of Nomination and Remuneration Committee - Member of Stakeholders Relationship Committee

Annexure C – Name of Listed Entities form which Ms. Ameera Shah has resigned in the past three years:

No.	Name of Listed Entity	Date of Resignation
1.	Kaya Limited	19/05/2021
2.	Shoppers Stop Limited	20/01/2022

NOTICE (Contd.)
Dr. Aparna Rajadhyaksha:

Name of the Director	Dr. Aparna Rajadhyaksha
DIN	10596037
Date of Birth & Age	August 28, 1976, 47 years
Date of Appointment	May 22, 2024
Date of appointment at current designation	May 22, 2024
Category	Non-Executive Non-Independent Director
Brief Resume along with Qualification and Nature of expertise in specific functional areas and Experience	Dr. Aparna Rajadhyaksha holds an M.D., M.B.B.S. degree from the University of Mumbai, D.Y. Patil Medical College, Mumbai, India, with specialized training in Clinical Pathology from Tufts University, Baystate Medical Center, Medical Genetics from the University of Miami. Further, she holds a degree in Executive MBA from Quantic School of Business and Technology. She has an extensive experience of over 20 years in the medical field.
Terms and conditions of appointment/ reappointment	Appointment as a Non-Executive Non-Independent Director, liable to retire by rotation
Number of shares held in the Company	Nil
Remuneration to be paid	As per the resolution at item no. 8 of the notice convening this meeting read with explanatory statement thereto
Directorship held in other Companies	Refer Annexure D
Memberships/ Chairmanships of Committees of other Companies	Refer Annexure D
Relationships between Directors inter-se	Sister of Ms. Ameera Shah, Managing Director of the Company, Daughter of Dr. Sushil Shah, Executive Director and Sister in Law of Mr. Hemant Sachdev, Non-Executive Non-Independent Director of the Company.
Last drawn Remuneration and No. of Board Meetings attended during the year	Not Applicable

Annexure D – Details of other Directorships and Committee memberships held by Dr. Aparna Rajadhyaksha:

No.	Name of the Company in which he is a Director	Details of Committee Membership / Chairmanship in the Company
1.	Metropolis Histoxpert Digital Services Private Limited	-

METROPOLIS
The Pathology Specialist

Metropolis Healthcare Limited

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